UNIVERSITY OF MUMBAI

No.UG/ 156 of 2009

CIRCULAR :-

A reference is invited to the Ordinances, Regulations and syllabi relating to the B. Com. (Financial Market) **vide** this office Circular No. UG/288 of 2007 dated 19th June, 2007 and the Principals of the affiliated Colleges in Commerce and the Professor-cum-Director, Institute of Distance Education are hereby informed that the recommendation made by the Ad-hoc Committee appointed by the Academic Council to advise it on all matter relating to the courses of study and examination for the B. Com. (Financial Markets) at its meeting at its meeting held on 31st January, 2009 has been accepted by the Academic Council at its meeting held on 13th February, 2009 **vide** item No. 4.22 and that, in accordance therewith, the syllabi of the Sem. III-IV and V-VI of B. Com. (Financial Markets) is as per **Appendix** and that the same has been brought into force with effect from the academic year 2009–2010 and 2010-2011 respectively.

MUMBAI-400 032
12th May, 2009

PRIN.K.VENKATARAMANI
REGISTRAR

To,

The Principals of the affiliated colleges in Commerce and the Professor-cum-Director, Institute of Distance Education.

A.C/4.22/13/02/2009

****

No. UG/ 156 -A of 2009, MUMBAI-400 03 6th May, 2009

Copy forwarded with compliments for information to: -

1) The Dean Faculty of Commerce
2) The Chairman, Board of Studies in Commerce.
1) The Controller of Examinations,
3) The Co-Ordinator, University Computerization Centre,

12/05/09

(D.H.KATE)
DEPUTY REGISTRAR
U.G./P.G. SECTION

Copy to:-

The Director, Board of College and University Development, the Deputy Registrar (Eligibility and Migration Section), the Director of Students Welfare, the Executive Secretary to the to the Vice-Chancellor, the Pro- Vice-Chancellor, the Registrar and the Assistant Registrar, Administrative sub-center, Ratnagiri for information.

The Controller of Examinations (10 copies), the Finance and Accounts Officer (2 copies), Record Section (5 copies), Publications Section (5 copies), the Deputy Registrar, Enrolment, Eligibility and Migration Section (3 copies), the Deputy Registrar, Statistical Unit (2 copies), the Deputy Registrar (Accounts Section), Vidyanagari (2 copies), ... Section (2 copies), Professor-cum- Director, Institute of Distance

Enclosure to Item No. 4.22
13.2.2009.

UNIVERSITY OF MUMBAI

Syllabus of

B.Com. (Financial Markets)

For

(Semester - III - IV and V-VI)

(W.e.f. academic year 2009-2010 & 2010-2011 respectively)

B.Com (Financial Markets)
Syllabus for Sem-III/IV w.e.f. academic year 2009-2010

SEMESTER – 3
Subject – Debt Markets (3.1)

Lect.

Unit – I
Introduction to debt markets, (15)

- Evolution of debt markets in India
- Money market and debt markets in India.
- Regulatory framework in the Indian debt market.

Unit – II
Instruments and Players in debt markets (15)

- Government Securities, PSU bonds & Corporate bonds
- Open market operations
- Securities Trading Corporation of India
- Primary dealers in Government Securities.

Unit III (15)
Bonds.

- Features of bonds.
- Types of bonds
- Issuers of bonds.
- Bond ratings – importance & relevance, Rating Agencies

Unit – IV (15)
Valuation of bonds.

- Determinants of the value of bonds. (60)
- Primary market and Secondary markets
- Bond Mathematics
- Yield Curve Analysis.

Books for Reference:

1. The Debt Market, Stephen A Ross and Richard Roll, Edward Elgar, 2006.
2. The high-yield debt market " Investment Performance and Economic Impact, Edward I. Altman, Beard Books, 1998.
3. Investing in Junk Bonds, Edward I. Altman and Scott A.Nammacher, Beard Books, 2003.
4. High Yield Bonds, Theodore Barnhill and William Maxwell, Mc-Graw Hill, 1998.
5. Advanced Bond Portfolio Management, Frank J.Fabozzi and....., John Wiley & Sons, 2006.
6. Bonds and Bond derivatives, Miles Livingstone, Blackwell Publishers, 2004.

SEMESTER = III

CORPORATE FINANCE-I (C/A/CS. (3.2)

No.of Lect.

UNIT-I

CORPORATE FINANCE-AN OVERVIEW. (10)

- Functions of finance in a business enterprise.
- Emergence of corporate finance as an integral part of business finance.
- Need for professional approach in managing corporate finance.
- Role and functions of a corporate financial manager.
- Requirements of an efficient corporate financial manager.

UNIT-II

PLANNING THE CORPORATE FINANCIAL ACTIVITIES: (15)

- Theories of Capitalisation.
- Owned capital and borrowed capital-cost of capital.
- Break-even analysis.

UNIT-III (15)

- Capital structure-meaning and definition.
- Factors affecting capital structure. Trading on equity.
- Watered capital, over capitalization and under capitalization.
- NPV, IRR, DCF Analysis & pay-back periods

UNIT-IV

SOURCES AND METHODS OF RAISING CORPORATE FINANCE. (20)

- Types and features of corporate securities currently available.
- Management of new issues including pricing of securities.
- Commercial banks and investments banks in financing the corporate sector.
- Leasing as a method of corporate finance.
- Venture financing.
- Credit rating services-role and relevance.

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B.Com (Financial Markets) Proposed Syllabi

SEMESTER – III

EQUITY MARKETS – I © (3.3.)

No.of Lect.

Unit I (10)

Innnntroduction :

- Meaning and definition of equity shares
- Growth of Corporate sector and the simultaneous growth of equity shareholders.
- Divorce between ownership and management in companies.
- Development of equity culture in India.
- Current position

Unit II (20)

Market for Equity – Primary markets.

- IPO – methods followed
- Book Building
- Role of merchant bankers in fixing the price
- Red-Herring Prospectus-it's unique features
- Green shoe option-Sweat Equity, ESOP
- Rights issue of shares
- Non voting shares
- ADR, GDR, IDR

Unit III (20)

Market for Equity –Secondary Markets

- Definition and functions of Stock Exchanges
- Evolution and growth of Stock Exchanges
- Stock Exchanges in India
- NSE, BSE, OTCEI & Overseas Stock Exchanges
- Recent developments in Stock Exchanges
- Stock Market Indices

Unit IV (10)

Importance of equity markets in a developing country like India

- Need for attracting more investors towards equity
- Need for strengthening secondary markets
- Link between Primary market and Secondary market.

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Books for References

1 Privatization and Emerging Equity Markets, World Bank, Ira W. Lieberman and Christopher D.Kirkness, World Bank, 1998.
2 Equity Markets in Action, Robert Schwartz and Reto Francioni, John Wiley & Sons 2004.
3 Corporate Finance, Martin Sabine, Houghton Mifflin, 2003.
4 Chew New Corporate Finance : And Brealey Principles of Corporate Finance, Mcgraw-Hill,2002.
5 Hand bok on Corporate Finance, Glen Arnold and Javier Estrada, F.T. Prentice Hall, 2006.

SEMESTER – III

BANKING IN FINANCIAL SYSTEM© (3.4)

SEMESTER-3

Subject: Banking in Financial System.

UNIT-I (10)

Principles & Practices of Banking:

- Indian Financial System.
- Types & Function of Banks.
- Banking Technology.
- Marketing of Banking Services/Products.

UNIT-II

Accounting & Finance for Bankers. (20)

- Basics of Business Mathematics.
- Accounting in Banks/Branches.
- Bank Accounting & Balance sheet.
- Other Accounts & Computerized Accounting.

UINT-III

Banking Products & Service: (20)

- Accounts (Current,Saving,Fixed)
- Loans (Short Term,Long Term)
- Advisory Services (Investment)
- Other Services (Insurance Credit Card etc.)
- Hire Purchase, Leasing, Factoring.
- Tax Services.

UNIT-IV

General Bank Management: (10)

- Managing Interest Rate Risk,GAP & Earning Sensitivity.
- Managing Liabilities & the Cost of Funds.
- Effective use of Capital.
- Liquidity Planning & Managing Cash Assets.

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SEMESTER – III

COMPUTER APPLICATIONS IN INVESTMENT : (3.5)

Guidelines.

- The C programming language should develop basic programming skills.
- Unit IT contains more advanced topics in C language and are to be handled at an elementary level.

UNIT – I

(15)

C programming Language & OOP'S concept.

1. Introduction : Evolution of C language, Unix and C,C Complier, Running a C program, object and executable file, preprocessor, Characteristics of C language, case sensitiveness.
2. 2. Variables and Expressions : C character set, identifiers and keywords, variables, reading and displaying variables, scanf and print, characters and character strings, integer, float double, constants, operators and expressions, arithmetic, relations, logical assignment, conditional, increment and decrement, bit wise, comma, typed of statement typecasting, operator precedence, writing simple programs to illustrate the above.
3. Basic Input Output : getchar, putchar, string inut and output, format specifiers, types of characgfers in format strings like % scanf width specifies, Input fields for scanf.
4. Control Structures (Decision Making statement) if-else, multiway decisions, switch,)loop constructs) for-loop, while-loop, do while-loop, compound statements, break statement, continue statement, go to statement.

Reference I. 1) Let Us C – Yashwant Kanetkar (BPB)

Unit- II

(15)

5. Arrays : Single dimensional array, element type, multidimensional array, strings, simple examples and programs, arrays of strings, programming examples.
6. Functions: Main include, placement of a function and return values, parameter set of a function, combining function definition and declaration, passing arguments, return statement and function call, user defined and library functions, simple examples of recursion.
7. Introduction to Pointers & Structures and Unions & Files : Definition and simple use of pointers, declaring and using structures, structure initialization, Unions, operation on union, scope of union, opening files, writing to files, reading from files, closing files, file handing functions, fscanf, fprintf, fopen, fclose, fgetc, fgets, fputc,fputs,fwrite.
8. Object Oriented Programming Concepts : OOP's overview, classes and objects, fundamental Concepts, Functions, Inheritance, Abstraction, Polymorphism, overloading and overriding , OOP's using C++

Reference :

1. Let Us C – Yashwant Klanetkar (BPB)
2. Complete Reference C++ by Herb ert Schildt

UNIT – III (15)

Electronic Commerce.

What is E-Commerce, Advantages and Limitations of E-Commerce. The role of Strategy in E-commerce, Value chains in E-commerce, Infrastructure for Electronic Commerce Web-Based Tools for Electronic Commerce, Electronic Commerce Software, Security Threats to Electronic Commerce, Implementing Security for Electronic Commerce, Electronic Payment Systems. Strategies for Marketing, Sales, and Promotion, Strategies for Purchasing Logistics, and Support Activities, Electronic Markets and Communities, Business Plans for Implementing Electronic Commerce.

Reference :

1. E-Commerce The cutting edge of the business – Bajaj Nag TMH
2. Electronic Commerce from vision to fulfillment by Elias M.Awad.
3. Electronic Commerce by Gary Schneider, James Perry.

UNIT – IV. (15)

Web designing.

(These can be partly done as demonstration and practical).

Basic Formatting HTML Pages : Setting text preference, Importing Text, Aligning and indenting text, Making list, Nesting list, Character formatting, Adding special characters Using Flash @ text.

Working with Graphics : Using background graphics, Editing graphics, assigning names and ALT text to images, Wrapping text around images, Adding Flash @ buttons, Using a web photo alum, Embedding Quick Time @ movies.

Creating Links : Specifying link format, creating hyperlinks, Understanding link structure, Creating image maps, Creating email links.

Designing with Tables : Creating a table, importing data from spreadsheets, Formatting a table , Using images in tables, designing for computer screens.

Creating Frames: Creating a frameset, specifying frame properties, creating and editing frame documents.

Creating forms : Building a form grouping content, adding buttons, creating hidden fields, crating jump menus.

Reference :

1. world wide web design with HTML C.Xavier AMH.

Business Ethics © -(3.6.)

UNIVERSITY OF MUMBAI
B.Com.(Financial Markets)

Business Ethics 3.6

No.of lectures

1) Business Ethics & Values-Work Culture-Un ethical Behavior in Business & its reasons-fair & unfair Business Practices. (7)

2) Corporate Governance in Globalised Economy-MNCs/TNCs & Business Ethics-Accountability of Mangers & Directors-Functioning of private & public sector Cos.- Governance of private & public sector Cos.Corporate Governance in Banking & Financial Institutions-Good corporate Governance-protection of interest of customers & investors-customer friendly business activities. (15)

3) Code of conduct in Business Houses-fairness & Justice in Administration – Social Responsibilities of Business.

4) Business Ethics an important tool in building Business Reputation – Professional Board of Directors-Transparency in decision – making & operations – Importance of effective & efficient system of Governance in globalised economy-Ethics & corporate integrity, measure for improving ethical standards & morals. (15)

5) Corruption, Frauds & Scams in financial Institutions – Economical & Social effects of corruption, frauds, scams etc. Banking operations & ethics – Functioning of Insurance Cos. & ethics – Measures to reduce corruption

6) a) Preventive Measures b) Curative Measures – Role of computerization & I.T. in detecting fraud, scams etc. – Zero Tolerance of corruption. (15)

1) Business ethics – Shyam L. Kaushal
2) Corporate governance - H.R.Machiraju
3) Corporate governance – Kesho Prasad
4) Business Ethics – C.S.V.Murthy
5) Business Ethics – R.V.Badi, N.V.Badi
6) Security Analysis and Portfolio Management – V.Gangadhar
7) Business Success – Moria Clark, Susan Baker

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B.Com. (Financial Markets)
SEMESTER – III
ORGANISATIONAL BEHAVIOUR (3.7)

No.of Lect.

1 Fundamentals of Organisational Behaviour Nature & scope of Organisational Behaviour Dynamics of people-Models of Organisational Behaviour-The behavioral approach to Management.

2 Motivation & Leadership Theories & Models of Motivation Importance of Motivation in organization-Organisational Behaviour & performance Appraisal-Leadership & Leadership styles-Empowerment & Parttipation. (10)

3 Individual Behaviour & Group Behaviour Formula & Informal Groups Team Building & its importance. Psycological Aspects of Financial Markets. (10)

4 Organization structure & Design Kind of organization structures-Delegation of Authority-span of control. (10)

5 Organizational culture-Emerging Trends in organizational culture-Organisational climate-Factors affecting organizational climate. (10)

6 Organisational Development & changes-Nature & characteristics of organizational Development-Techniques of Organisational Development - Definition & Objectives of Organisational Change-Effects of change-Resistance to change & overcoming the resistance-stress & counseling (10) (10)

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Book for Reference

1 Organizational behaviour- Stephen P. Robbin. Prentice-Hall of India Pvt.Ltd.

2 Organizational behaviour-John W.Newstrom & Keith Dayis-Tata-Mc Graw-Hill.Ltd.

3 Organizational behaviour-Edited by Mirza S.Saiyadain-Tata Mc Graw-Hill

4 Management & Organization-Louis A Allen.

5 Management Challenges for 21st century-Peter Drucker

6 Principles Practice of Management-L.M.Prasad-(S. Chand & Sons.)

7 Principles of Management in Banking Hiramat Shridhar

8 The Process of Management-william H. & Newman

9 Organizational Behaviour-N.Ramswami-T.R.Publications

10 Organizational Behaviour-Understanding & managing People at work. white &Bednar. Boston. Allyn Bacon. 1986.

11 Personnel Management in India The Practical Approach to Human Relations-I I P M Asia publishing House 1977.

12 Organizational Effectiveness & the changes by A.S.Sudan. Naveen Kumar-Anmol Publication.

SEMESTER – 4

Subject : Commodities Market (4.1)

Unit – I

Introduction to Commodity Market (10)

- Emergence of Commodity market
- Dynamics of global commodity markets
- Indian commodity markets – Current status & future prospects.

Unit – II

Strengthening commodity markets in India. (20)

- Role of Government.
- Role of Commodity Exchanges.
- Other Institutions.
- Training and development of Dealers.

Unit – III.

Commodity Exchanges. 20)

- Functions and Role.
- Trading and Clearing methods.
- Commodity futures.
- Commodity Specific Exchanges Vs Multi Commodity Exchanges.

Unit-IV

Commodity Markets in India. (10)

- Commodity Exchanges in India.
- Role of Information in Commodity Markets.
- Linkages between equity markets and commodity markets.
- Commodity markets –Logistics & Warehousing

60

Books for Reference:

1. Commodities Rising, Jeffrey M.Christian, John Wiley & Sons, 2006.
2. Dow Jones – Irwin Guide to Commodities Trading, Bruce Gould, Author House, 2003.
3. Commodity Fundamentals, Ronald Spurga, John Wiley & Sons, 2006.
4. Commodity Futures and Financial Markets, Louis Philips, 1990.
5. The Encyclopedia of Commodity and Financial Spreads, Steve Moore, John Wiley & Sons, 2008.
6. International Commodity Markets and the Role of Cartels, Mark S.Leclair, M.E. Sharpe. 2001.
7. Commodity Options, Larry D.Spears, Market Place Books, 1993.

8. Training the Pits : Technical Approach to Commodity Trading. Robert M.Barnes. John Wiley & Sons, 1979.
9. Commodity Options. Terry S.Mayer. Prentice Hall, 1983.
10. Structured Products Vol.2 Equity, commodity, Credit and New Markets. Satyajit Das. John Wiley & Sons, 2005.
11. Breaking through Success : A Commodity Investor's Guide Book. Patrick Lafferty and Nell Sloane. USA Import, 1997.
12. Managing Commodity Price Risk and Developing Countries. Stijn Claessens and Ronald C.Dunkan. John Hopkins University Press. 1994
13. The Commodities Glossary. Commodity Futures Trading Corporation. International Law & Taxation, 2005.

SEMESTER 4

CORPORATE FINANCE II (C/A/CS) 4.2

UNIT-I

Role of Financial Institutions. (15)

- In Long Term Finance (Fixed capital)
- In Short Term Finance (Working capital)

UNIT-II

Controlling Mechanism of RBI in raising corporate finance. (10)

UNIT-III

Understanding & Interpretation of Financial statements. (15)

UNIT-IV

CONTROLLING THE CORPORATE FINANCIAL ACTIVITES. (20)

60

- Capital budgeting.
- Corporate financial reporting-Transparency and accuracy.
- Maximising the wealth of shareholders.
- Corporate governance practices.

CORPORATE FINANCE I & II – References

1) Corporate Finace (principles of),Richard A. Brealey,Stewart C.Myers. Franklin Allen, McGraw Hill,2005.
2) Corporate Finance,Bookfield,McGraw Hill,2007.
3) Corporate Finance,Ross,Irwin,2006.
4) Essential Corporate Finance ,Ross,McGraw Hill,2001.
5) Corporate Finance,Aswath Damodaran,John Wiley & Sons,2001
6) The Corporate Finance Hand book,Jonathan Reuvid,Kogan Page,2002
7) Fundamentals of Corporate Finance,Ross,McGraw Hill 2002.
8) Corporate Finance,Theory and Practics,A.Damodaran,John Wiley & Sons,Inc.1997.

9) Corporate Finance – S.C.Kucchal.
10) Corporate Finance – I.M.Pandey.
11) Corporate Finance – Prasanna Chandra.

SEMESTER – 4

Subject : Equity Markets – II (4.3)

Unit – I

Developments in the Indian Equity market. (15)

- Domestic savings and investments.
- Disinvestments, FDI and Foreign institution investment
- Role of retail investors
- Share price and share price volatility
- Role of SEBI.

Unit – II

Security Analysis and Valuation of Securities. (15)

- Factors affecting share prices
- Fundamental analysis in detail
- Technical Analysis in detail
- Macro economic factors
- Market related factors

Unit-III

Statistical Analysis of share price movement. (15)

- Efficient market Hypothesis
- Stochastic models
- Brownian motion.

Unit-IV

Dealings in Stock Exchanges. (15)

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- Role of Brokers
- Stock market quotations
- Procedure for buying and selling.
- On Line Trading
- Clearing & Settlement.

Books for Reference :

1. Frontier Emerging Equity Markets Securities Price Behaviour and Valuation, Oliver S.Kratz, Kluwer Academic Puyblishers, 1999.
2. Charting the Stock Market, Jack Huston, David M.Weiss and Craig Schroeder, USA Import, 1991.
3. A new look at Technical Analysis, Robert McCullough, USA Import, 1994.
4. Beyond Candlesticks, Steve Nison, John Wiley & Sons, 1994.
5. Using Technical Analysis, Clifford Pistolese, Probus publishing, 1994.

6. Technical Analysis of the Financial markets, John Murphy. NYIF, 1999.
7. The ARMS Index, Richard Arms, Market place books. 1989.
8. Point and Figure Method of Anticipating Stock Price movements. Victor de Villiers, Market Place books, 2000.
9. Point and Figure Charting, Thomas Dorsey, John Wiley & Sons, 2001.
10. The international Encyclopedia of Technical Analysis Joel Siegel and Jae Shim, Fitzroy Dearborn, 2000.
11. Getting started in Fundamental Analysis, Michael C.Thomsett. John Wiley & Sons, 2006.
12. Forecasting Financial Markets, Tony Plummer, Kogan Page. 2006.

SEMESTER – 4

FINANCIAL SERVICES © (4.4)

UNIT – I

Introduction to Financial System: (10)

- Financial System – An Overview.
- Indian Financial System.
- Global Financial System.
- Financial Service- An Overview.

UNIT-II

Financial Service Segment: (20)

- Book Building.
- Public Issue Management
- Merchant Banking
- Credit Rating
- Insurance Services.
- Mutual Funds.
- Venture Capital-Conceptual Framework.

UNIT-III

Financial Market-1: (10)

- Financial Markets – An Overview.
- Money Market.
- Capital Market-An overview
- Capital Market Instruments.

UNIT – IV

Financial Market-2: (20)

- New Issues Market (NIM)-Conceptual Framework. -----
- Debt Market. 60
- Foreign Exchange Markets.
- Derivatives Markets.
- Stock Exchange Trading.
- Stock Exchange-Regulatory Framework.
- SEBI-Function and Working.

SEMESTER – 4

TAXATION FOR INVESTMENTS (A/CS) (4.5)

1. Definitions : (03)

Person, Income, Assessee, Assessment Year, Previous Year, Capital Asset, Transfer

2. Basis of charge (Sec 3 to 9)

Residential Status, Scope of Total Income, Deemed Income. (06)

3. Exclusions from Total Income Sec.10.
Agricultural Income, Sums Received from HUF by member, share of Profits from Firm, Insurance Maturity Proceeds, Income of Minoer Child.
(05)

4. Income from House Property. (15)

Sec 22 to 27 & Sec.2 – Annual Value.

5. Income from Capital gains.
Sec 45,48,49.50,50(C).55. (15)

6. Income from other sources. (06)
Sec. 56 to 59.

7. Deduction under Chapter VI A
Sec.80(C), 80CCC, 80D. (04)

8. Securities Transaction Tax.
Basic Definition, Charge. (06)

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References:- V.K.Singhania - Direct & Indirect Taxes.
T.M. Manoharan – Direct & Indirect Taxes.
V.S.Datey - Direct & Indirect Taxes.

B.Com. (Financial Markets)

SEMESTER – 4 SECURITY ANALYSIS – (4.6)

UNIT I Introduction to Security Analysis

- Understanding Investments
- Investment Alternatives
- Securities markets and price behavior (15)

UNIT II Portfolio Management-

- The Risk and Returns from Investing
- Portfolio Selection & Management
- Portfolio performance evaluation (15)

UNIT III Fundamental Analysis-

- Economic & Industry Analysis
- Company Analysis
- Stock Valuation (15)

UNIT IV Technical Analysis-

- Basic Premise
- Stock Price & Volume Theories
- Fundamental Analysis v/s Technical Analysis (15)

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REFERENCES BOOKS

1) Donald E.Fischer & Ronald J. Jordan, Security Analysis & Portfolio Management Prentice Hall of India Private Ltd., New Delhi 2000.

2) V.A.Avadhani-Securities Analysis & Portfolio Management-Himalaya Publishing House, 1997.

3. Punithavathy Pandian, Security Analysis & Portfolio Management-Vikas Publishing House Pvt. Ltd., 2001.

B.Com.-(FINANCIAL MARKETS)
SEMESTER – 4
BUSINESS LAW (4.7)

		Lect. available
1)	The Companies Act.1956. Section 1 to Section 390.	20
2)	Securities Contracts (Regulation) Act . 1956	08
3)	Foreign Exchange Management Act. (FEMA) 1999.	05
4)	Depositories Act. & Information.Technology Act. 2000	07
5)	Securities and Exchange Board of India (SEBI) Guidelines 2000 (Limited up to Disclosure and Investor protection)	05
6)	Indian Contract Act. 1872.	07
7)	Sale of Goods Act. 1930.	04
8)	Negotiable Instrument Act	04

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References - All Bare Acts

B.Com (Financial Markets)

Syllabus for Sem-V/VI w.e.f. academic year 2009-2010

SEMESTER – 5.

Subject : Global Capital Markets (5.1)

Unit-I

Impact of globalisation on the Capital markets. (10)

- Growing international integration
- Role of media and technology in Capital mobility
- Diversification benefits of global investment.
- Mergers & Acquisitions

Unit- II

Global (International Bond market. (20)

- Domestic bonds, Euro bonds and Foreign bonds,
- Participants in the global bond markets
- Credit rating agencies and their role
- Procedure for issuing Euro Bonds.

Unit-III

Global Equity Markets. (20)

- Major Stock Markets of the world
- Emerging Trends.
- International Equity Trading – Multiple listing.
- Depository receipts.

Unit-IV

Obstacles to International Investments. (10)

- Information barriers.
- Foreign Exchange Risk, Currency Risk
- Political risk, Market Risk
- Taxation
- Other Regulatory barriers.

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Books for Reference:

1. A History of the Global Stock Market : From Ancient Rome to Silicon Valley, B.M.Smith, University of Chicago Press, 2004.
2. Inter Market Technical Analysis, John Murphy, John Wiley & Sons, 1991.
3. Global Portfolio Management for Institutional Investors, Jeff Madura, Greenwood Press, 1996.
4. Global Asset Allocation, Robert Klein and Jess Lederman, John Wiley & Sons, 1994.

SEMESTER - 5.

Subject : Regulation of Securities Markets (5.2)

Unit-I

Overview of Indian Securities Market. (10)

- Nature of Savings and investment
- Profile of Indian Investor
- Factors affecting investments decisions of an Indian investor.

Unit-II

Need for regulating securities markets in India. (10)

- Protection to retail investor
- Vanishing companies of nineties
- Pricing of IPOs and possible economic offences.

Unit-III

Legislations governing the Securities Markets (20)

- Companies Act 1956.
- Securities Contracts Regulation Act
- SEBI Act
- Depositories Act.
- Insurance Acts.
- Special regulatory requirements of derivatives market.

Unit – IV

Regulatory bodies. (20)

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- Department of Company affairs
- Department of Economic affairs
- SEBI
- Forward Market Commission
- RBI
- IRDA
- Need for self regulation

References:

- Company Law- Avtar Singh
- Finance and Profits N.J.Yasaswi
- Finance Sense – Dr.Prasanna Chandra.

SEMESTER – 5

Subject : Insurance (Fund) Management (5.3)

Unit-I

Introduction (15)

The insurance mechanism.

- Fundamental principles of insurance.
- Importance of life and general insurance
- Growth of evolution of insurance business in India with specific reference to post liberalization.

Unit-II

Risk Management (15)

- Risk identification
- Sources of Risk
- "Insurance policy" as a financial product.

Unit-III.

Organising an insurance business. (15)

- Types of organizations
- Role of IRDA
- Procedure for setting up an insurance business.

Unit - IV

Operational aspects of Insurance business. (15)

- Marketing insurance products including e-marketing
- Actuarial role.

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Books for Reference:

1. Insurance – From Underwriting to Derivatives, Eric Breiys and Francois de Varenne, John Wiley & Sons, 2001.
2. Rsk and Insurance, Chartered Insurance Institute, 1998.
3. Insurance Dictionary, Rowman and Littiefield,
4. Introduction to Insurance, D.S.Hansell, Informa Finance.
5. Insurance Marketing, Arthur Merdanm Taylor & Francis, 1984.
6. Insurance in India, Saibal Dasgupta, Informa Finance.
7. Hand Book of Insurance, Georges Dionne, Kluwer Academic Publishers, 2001.
8. A guide to Insurance Management, S.R.Diacon, Palgrac Macmillan, 1990.

9. Introduction to Risk and Insurance, Ralph H.Blanchard, Beard Books, 2001.
10. Theory an dPractice of Insurance, J.Francois Outreville, Ljuwer Academic Publishers, 1997.
11. Fundamentals of Insurance, Tena B.Crews and Sandra Thompson, Thomas Learning, 2002.
12. Essentials of Insurance : A Risk Management Perspective, Emmett J.Vaugham, John Wiley & Sons, 2003.
13. Insurance Cloaims Adjuster, Charles C.Casterlin, Author House, 2003.

SEMESTER – 5

Subject : Derivative Markets (5.4)

Unit – I

Nature of financial derivatives including futures and options. (15)

Characteristics of derivatives. Underlying assets (Equity Bonds/loans, Foreign Currency, and Commodity) Need for derivatives, types of derivatives and comparison between them. Forwards/Futures/Options, Participants in derivatives market (Hedgers, Speculators, Arbitrageurs).

Unit-II

Principles of trading and hedging with Index Futures. (15)

Terminology – Spot, future price, contract specifications, contract cycle, expiry date, settlement date, basis, mark to market, Contract specification for Exchanges, Tick size, Types of orders, Trading Strategies, Hedging Strategies, Initial, Maintenance Margins, Executing and Clearing, Execution, Matching confirmation, Clearing Mechanism, Settlement, Settlement price, Settlement cycle, Cash Vs.Physical delivery, "Open interest" and "Trading volumes".

Unit-III

Principles of trading and hedging with Options. (15)

Terminology – call, put, writer, buyer, premium, intrinsic value, time value, expiry date, settlement date, stroke price, ATM, OTM & ITM, The Greeks – (Delta, Gamma, Theta, Vega).

Unit – IV

Risk Management Systems and Procedures. (15)

Types of risks (Counter-party or credit risks, Market or price risks, Liquidity risks, Legal and regulatory risks, Operating risks), Risk identification and a measurement, Methods of risk control (Position Limits, VAR, Margins, Operating Procedures and systems etc.) Separation of trading, settlement, accounting and risk control functions, Internal control structure and Management Information System, Regulatory and external reporting. -------

Books for Reference :

1. Applied Maths for Derivatives, John Martin, Jonn Wiley & Sons, 2001.
2. Pricing Derivatives, Ambar Sengupta, Mc-Graw Hill,2005.
3. Mastering Credit Derivatives, Andrew Kasapi, F.T.Prentice Hall, 1999.
4. Financial Derivatives, Robert W.Kolb, Black well Publishers, 1995.
5. Introduction to Derivatives, Chance, Dryden Press.
6. Swaps and other derivatives, Richard Flavell, John Wiley & Sons, 2002.
7. Essays in Derivatives, Don Chance, John Wiley & Sons, 2001.
8. Derivatives Simplified, Bhaskar P.Vijaya and Mahapatra, Sage Publications 20003.
9. Option, Futures and other derivatives, J.Hull, Pearson Higher Education, 1998.
10. Dictionary of Dervatives, Andrew Inglis – Taylor, Palgrave, 1995.
11. Financial Derivatives, Robert Kolb and James Overdahl, John Wiley & Sons, 2002.
12. Derivatives Markets, Robert McDonald, Addison Wesley, 2002.
13. Clearing and Settlement of derivatives, David Loader, Butterworth – Heinemanna, 2005.
14. Hybrid Derivatives, Chris Hunter, John Wiley & Sons, 2007.
15. How to Understand and use mathematics for Derivatives, Vol.I and II, Dimitris Chorafas, Euromoney Books, 1995.

SEMESTER – 5.

Subject : Foreign Exchange Market (5.5)

Unit-I (15)

1. Introduction to International financial system and foreign exchange market.

* Important terms and Concepts.
* Foreign Exchange and Euro currency
* Foreign Exchange dealings and quotations.

- Foreign Exchange brokers and mechanism of foreign exchange transfers.
- CHIPS (CLEARING HOUSE INTERBANK PAYMENTS SYSTEMS), SWIFT (Society for Worldwide Interbank Financial Telecommunications).
- Triangular Arbitrage.

Unit-II.

2. Exchange Rate Systems. (15)

* Gold and Bretton woods system
* Fixed and floating exchange rate
* Adjustable peg system
* Craswling peg exchange rate system
* Snake in the tunnel system
* Exchange rate mechanism in India

Unit-III

(15)

3. Foreign Exchange Management.

*. The 'risks' element in foreign exchange markets.
* Need and importance of foreign exchange management
* Methods adopted (spot and forward, arbitrage, cross currency deals, swaps, options and futures.).

Unit IV

(15)

4. Foreign Exchange Market in India.

- Impact of liberalization and globalisation in India's foreign exchange market. Inbound & Outbond Investments.
- RBI's role in directing and controlling foreign exchange market/
- The pros and cons of full convertibility of Indian currency/
- FEMS and the Indian foreign exchange market.
- Indian multinationals and their impact on foreign exchange. ------

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Reference Books.

1. Foreign Exchange Markets, Financial World Publishing, 2000.
2. Introduction to Currency Risk, Financial World Publishing, 2000.
3. The forex chartist Companion, Michael Archer, John Wiley & Sons, 2007.
4. Technical Analysis on Foreign Exchange Market, Ulrike Ludden, Litwerlag Germany, 2004.
5. M.C.Vaish Money, Banking and International trade.
6. Ian.H.Giddy Global Financial Markets.
7. Arbitrage, Hedging and Speculation : The foreign Exchange Market, Dilip Ghosh and Ephraim. A.Clark, Greenwood Press, 2004.
8. The psychology of the foreign Exchange Market, Thomas Oberlechner, John Wiley & Sons, 2004.

SEMESTER – 5
Subject : Portfolio Management (5.6).

Unit – I.
Introduction. (15)

- A venues and Multiple investments.
- Need for designing and Investment Portfolio
- Relevance of portfolio Management in different sectors of financial markets
- Popularity of equity portfolio management services.

Unit – II
Portfolio theory and application. (15)

- Markowitz portfolio theory.
- Efficient frontier and investor utility.
- The Capital Asset Pricing Model – Expected Return and Risk – Security Market Line (SML).
- Arbitrage princing theory.
- Capital Market line.

Unit – III (15)
Performance Evaluation of a Portfolio.

- Treynor Portfolio Performance Measure
- Sharpe Portfolio Performance Measure
- Jenson's Measures
- Factors affecting performance measures.
- Reliability of Performance measures.
- EMH (Efficient Market Hypothesis).

Unit – IV (15)

Portfolio Management Services in India.

- Portfolio management service providers in India.
- Procedure for setting up portfolio management services.
- Regulation of portfolio management services.
- Evaluation of present scenario and estimation of future prospects.

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Books for Reference:

1. Portfolio Management, S.Kevin, Prentice Hall, 2004.
2. Pioneering Portfolio Management, David F.Swensen, Free Press.
3. Taming Risk, MarkFisher, Euro Money Books,2005
4. Portfolio Management Formulas, Ralph Vince, John Wiley & Sons, 1990.

5. The Art of Investing and Portfolio Management, Mc-Graw Hill Professional 2004.
6. Active Portfolio Management, Richard Grinold and Ronald Kahn, Irwin, 1999.
7. Investment Analysis and Portfolio Management Student Self Study Problems Manual, Frank K.Reilly and Keith C.Brown South Western College Publishing, 1999.

SEMESTER – 5

PROJECT – I (REPORT WRITING) (5.7)

SEMESTER – 6

Subject : Risk Management (6.1)

Unit – I (15)

- Introduction.
- Financial Risks.
- Different types of financial risks.
- Market risk, liquidity risk, credit risk, operational risk, systemic risk, exchange rate risk.

(15)

Unit – II

- Diversification and Investment risk management.
- Alternate investment strategies.
- Sensitivity Analysis.
- Exposure and Hedging.

(15)

Unit-III

- Hedging.
- Cross hedging, Hedge ratio.
- Statistical analysis.
- Options and future in different markets including foreign exchange market.

(15)

Unit – IV

- Popular models for managing liquidity risk and credit risk, swaps – Structural models, Integration of market risk and credit risk.

Titles on Risk Management :

1. Credit Risk, models and management, David Shimko, Risk Books, 2004.
2. Credit Risk Measurement, Antony Saunders, John Wiley and Sons, 2002.
3. The book of Risk Dan Borge, John Wiley & Sons, 2001.
4. Dictionary of Financial Engineering, John F.Marshall, John Wiley & Sons, 2001.
5. The financial Risk Manual, John Hollowell, F.T.Prentice Hall, 2000.
6. Equity Derivatives and Market Risk Models, Oliver Brockhaus and Michael Forkas, Risk Books, 2000.
7. Managing currency risk using foreign exchange options, Alan Hicks, Cambridge University Press, 2000.
8. Rosk Management, Michel Crouhy, Dan Galai and Robert Mark, Irwin, 2000.
9. Risk and Risk bearing, charles Hardy, Risk Books, 1999.
10. Introduction to Interest Rate Risk, Financial World Publishing, 2000.
11. Risk Management and Financial Derivatives : A Guide to Mathematics, Satyajit Das, Palgrave, 1998.
12. Enterprise Wide Risk Management, James Deloach, F.T.Prentice Hall, 2000.
13. The business of Hedging, John Stephens, F.T> Prentice Hall, 2000.
14. Theory and Practice of Treasury and Risk Management in Banks, Taxmanns, New Delhi, 2006.
15. Taxmanns Credit Risk Management, Bidani S.N. & Mitra P.K. Taxmann, New Delhi, 2004.
16. Cases on Risk Management, Howard W.M.
17. Risk Management, IIBF, Macmillan India Ltd., 2005.
18. The Complete Guide to Business Risk Management, Jaico Publishing House, Mumbai, 2001.
19. Managing Risk in the New Economy, Dimitris Chorafas, NYIF, 2001.
20. The Risk Management Process, Chritopher L.Culp, John Wiley & Sons ,2001.
21. Liquidity Black Holes, Avinash Persaud, Risk Books, 2003.

SEMESTER – VI

B.Com. (Financial Makets)

CORPORATE GOVERNANCE © - (6.2)

No.of Lect.

UNIT I The Philosophy of Corporate Governance

Corporate Governance – Introduction – Definition – Balance Frame work. Business Ethics – an important dimension to Corporate Governance – Fair & unfair business practices. (10)

UNIT II Genesis of Corporate Governance in India –

Introduction – Principles – Arthashastra & Good Governance in ancient india – Protection of interest of customers & investors – corruption & zero Tolerance of corruption – MRTP Act & MRTP commission (20)

UNIT III Evolution of Corporate Governance

The cadbury Committee – Code of best Principles – Indian Experience of Corporate Governance – The C I I Code – SEBI's initiative (The Kumar Mangalam Birla Committee Report) – Corporate Governance in Globalised Economy – MNCs. / TNCs & Business Ethics. (20)

UNIT IV Governance in Family – Owned Business

Family – owned business – background – family businesses in India – Need for professionalisation & transperancy in family business - Case study – Future of Corporate Governance. (10)

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Suggested Readings.

01. Kautilya's Arthashastra
02. Corporate Governance by Kesho Prasad.
03. M.R.T.P. Act
04. Management by Values. Oxford University Press. 1991
05. The Story of my Experiment with Truth – M.K.Gandhi. Navjivan Publishing House. A'bad.
06. Corporate Governanace by H.R.Machiraju.

SEMESTER – VI

(COMPUTER APPLICATIONS IN FINANCIAL SERVICES (6.3).

Guidelines:

- The topics of Unit I and Unit II are expected to provide an introduction. They should be taught mostly at conceptual level.
- Unit III is expected to be taught in the light of Information Technology.
- Unit IV is expected to be taught through mainly by demonstrations and support of practical.

Unit – I

(15 lectures)

Data Communication & Networking.

Introduction.

The Growth of Networking Technology : Modern Benefits of Networking, Data Sharing, Resource Sharing. The Development of Computer Networks. Life before Networking Early Connections, Modern Networking.. TCP/IP model, OSI Model. Data Communications Technology : Introduction to Analog and Digital Signals, Analog and Digital technology.

Local Area Networks : Network Topologies, Point-to-Point Topology, Bus Topology, Star Topology, Ring Topology, Mesh Topology. Special Topology.

Components : Workstations, Network Interface Cards, Hubs, Peripherals.,

Different types of Transmission Media in Networking : Twisted Pair Cabling, Coax al Cable, Fiber Optic Cable, Wireless Media, Radio, and Infrared.

Connectivity: Repeaters, Bridges, Routers, Gateways.

Wide Area Networking: Switching Technology, Mete Switching, Packet Switching Circuit Switching.

Reference

1. Data communication and Networking B.A.forouzan 4th Ed. TMH

UNIT – II

(15 LECTURES)

Computer Security.

Introduction : Security , Attacks, Computer criminals, Method of defense.

Security in Networks: Threats in networks, Network security control, firewalls Intrusion detection systems, secure e-mail, concepts of Encryption and decryption

Legal, Privacy, and Ethical Issues in Computer Security : Protecting programs and data, Software failures, Computer crime, Privacy, Ethical issues in computer society.

Network Security: Introduction and need for security, Authentication, Access Controls, Server logs, Virus Protection Firewalls, Intrusion Detection System and VPN.

Cyber Laws.

References:

1. Firewalls and Internet Security : William R.Cheswick, Steven M.Bellovin.Avie D.Rubbin 2nd Ed (LPE).
2. Internet sites and Cyber Law and ethics like html etc.
3. Information Technologies Act, 2000

Unit – III

Databases (15 Lectures)

Introduction to Database Concepts : Database systems vs files systems, view of data data models data abstruction, data independence, three level architecture, database design, database language – data definition language (DDL), data manipulation language (DML).

E-R Model : Basic concepts, keys, E-R diagram, design of E-R diagram scheme (simple example).

Introduction to Access Creating databases, Tables (relations), rows (tuples), domains, attribute candidate keys primary key, queries, forms

References:

a. Database system concepts, Silberschartz, Abraham : Korth, Henry F.& Sadarshen S.4th ed. McGRA W-HILL International Edition.

b. Access 2000 in easy steps Copestake Stephen

UNIT – IV.

(15 lecturers)

Visual Basic

Introduction to Visual Basic programming.

What is Visual Basic ? Terminology, Creating and Application, Modular Environment,

Building an application

Setting Properties of Objects, Forms, Introduction to Controls, Object-based, Event Driven, Programming

Coding

Examining Code, Using the object Browser, Statements and Functions, Conditional Statements in Visual Basic, Looping Statements, Overview of Debugging

Forms

Using Forms Multiple Forms, Order of Events, Startup and End of Applications.

Variables.

Data Types, Scope and Lifetime of Variables, Constants, Arrays and User-Defined Types Procedures.

Introduction to Procedures, Arguments ad Parameters, Named Arguments and Optional \Arguments

Controls

Using Controls, Standard Controls, Custom Controls

Menus

Creating and Documenting Naming Standards

Cumsoms Pop-Up Menus

Error Handling

An Introduction to Error Handlers

Record Sets : Choosing ADO or DAO, Adding data Editing data, Deleting data

Building Active X Controls : Creating and Active X control, Expositing properties, methods and events, Testing a control, Creating property pages, Creating a data-bound control Creating a data source control, .net.

Reference:

1. Visual basic 6 from bottom to top : a step by step guide with 84 easy to do projects – Salokhe Rajendra.

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SEMESTER – 6

MARKETING OF FINANCIAL SERVICES © (6.4)

Subject – Marketing of Financial Services

UNIT – I (15)

Introduction :

- Financial Products in Services Spectrum.
- Business Environment of Financial Services Sector.
- Marketing Financial Products.
- Transformation in Marketing Practices.

UNIT-II

Product Management & Customer Relationship Management : (20)

- Product Concept and Product Management.
- Importance of CRM in Marketing of Financial Services.
- CRM & Relationship Marketing.
- CRM Concept.
- CRM implementation and Evaluation.

UNIT-III

Analysing Business Markets. (15)

- Organizational Buying Process & Participants
- Institutional & Government Markets.
- Competitors : Identifying & Analysing.
- Designing Competitive Strategies.
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UNIT-IV

The Global Scenario: (10)

- Marketing Financial Product in US.
- Marketing Financial Product in U.K.
- Marketing Financial Product in China.

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SEMESTER – 6

Subject : Mutual Fund Management (6.5)

Unit – I

The concept and role of mutual funds. (15 Lectures)

- Origin & growth of Mutual funds in India, Role & Importance.
- Types of mutual fund products.
- Organisational design.
- Sponsor, trustee and AMC.

Unit – II

Investment in Mutual Funds. (15 Lectures)

- the procedure and the process
- Rights and duties of investors
- Do's and Don't's of mutual fund investment.

Unit – III

Valuation of mutual fund products. (15 Lectures)

- NAV Concepts.
- Accounting
- Taxation
- Valuation norms.

Unit – IV

Measuring and evaluating Mutual Fund Performance. (15 Lectures)

- Risk and performance evaluation.
- Measuring Returns.
- Tracking Mutual Fund Performance.
- Role of SEBI and AMFI.

Books for Reference:

1. Portfolio Management of Mutual Funds, R.C.Pozen, MIT Press, 1999.
2. The Mutual Fund Business, Robert C.Pozen, IT Press, 1998.
3. Working of Mutual Fund organizations in India, Peddina Mohana Rao, The Institute of International Economics, 1998.
4. The Economics of Mutual Fund Markets, William., J.Baumol ...., Kluwer Academic Publishers, 1989.
5. Power Investing with Sector Funds, St.Lucia Press, 1998.
6. Growth and Income , R.Bryan Stoker, Author House.

SEMESTER – 6.

Subject : Customer Relationship Managements in Financial Services (6.6)

Unit – I

Introduction of various financial services. (20 Lectures)

- Factoring
- Forfeiting
- Securitisation
- Depositories
- Registrars
- Demat Services
- Merchant Banking Corporate advisory services
- Lease financing
- Other services.

Unit – II (10 Lectures)

Origin and rationale of Customer Relationship Management (CRM)

- Relationship marketing Vs Transactional Marketing.
- Benefits of CRM

Unit-III (10 Lectures)

CRM – A vehicle for value creation.

- Developing a segmented service strategy.
- Implementation.

Unit - IV (20 Lectures)

Achieving Customer Satisfaction through Service Quality.

- Characteristics of financial services & difficulty in quality assurance.
- Need for constant research for improving quality.
- Regular Customer Surveys.
- Transaction Analysis.
- E-commerce and CRM.

Books for Reference:

1. The financial services source book : A guide to sources of information of Banking, Insurance and other financial services, Robert Cunnew and Alison Scanmell, Europa Publication, 2001.
2. The customer differential : The complete guide to CRM, Melinda Nykamp, Amacom, 2001.
3. Data Mining Techniques, Michael Berry and Gordon Linoff, John Wiley & Sons, 2003.
4. Customer Relationship Management, Neil Russell – Jones, Financial World Publishing 2002.
5. Customer Relationship Management : Neil Russell – Jones, Financial World Publishing 2002.

6. Customer Relationship Management Management :Concepts and Tools, Francis Buttle, Butterworth Heinemann, 2003.
7. Essentials of CRM, Brayan P.Bergeron, John Wiuley & Sons, 2002.
8. Customer Relationship Management Management : The bottomline to optimizing your ROI, John Anton and Natalie Peteshoff, Prentice Hall, 2002.
9. CRM in financial services, Merlin Stone and Bryan Foss, Kogan Page, 2002.
10. Successful Customer Relationship Marketing, Merlin Stone and Bryan Foss, Kogan Page,2001.
11. Electronic Customer Relationship Management : Jerry Fjermestad and Nicholas C.Romano, M.E.Sharpe, 2006.

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SEMESTER 6
PROJECT II (COMPUTER LAB BASED) (6.7)

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