

UNIVERSITY OF MUMBAI

No. UG/23 of 2014

CIRCULAR:-

The Principals of the affiliated Colleges in Commerce and the Heads of recognized Institutions concerned are hereby informed that the recommendation made by the Faculty of Commerce at its meeting held on 28th February, 2014 has been accepted by the Academic Council at its meeting held 4th March, 2014 **vide** item No. 4.41 and subsequently approved by the Management Council at its meeting held on 4th April, 2014 **vide** item No.8 and that in accordance therewith, in exercise of the powers conferred upon the Management Council under Section 54 (1) of the Maharashtra Universities Act, 1994 and the Ordinances 6126 and 6127 and the syllabus as per the Credit Based Semester and Grading System for the B.Com (Investment Management) degree programme is introduced, which is available on the University's web site (www.mu.ac.in) and that the same has been brought into force with effect from the academic year 2014-15.

MUMBAI – 400 032
21st July, 2014

Sd/-
REGISTRAR

To,

The Principals of the affiliated Colleges Commerce and the Heads of Recognized Institutions concerned.

A.C/4.41/04.03.2014
M.C/8/04.04.2014

No. UG/23 -A of 2014

MUMBAI-400 032

21st July, 2014

Copy forwarded with Compliments for information to:-

- 1) The Dean, faculty of Commerce,
- 2) The Professor-cum-Director, Institute of Distance & Open Learning (IDOL)
- 3) The Director, Board of College and University Development,
- 4) The Co-Ordinator, University Computerization Centre,
- 5) The Controller of Examinations.

Sd/-
Deputy Registrar
Under Graduate Studies

Innovative Programme - B.Com (Investment Management)

2nd & 3rd Year of Program requires maximum contribution from the Industry Experts as Industry Interaction & Application part is to be given more weightage

Programme Requirements:-

1. Appointment of Teaching Faculty:-

For 1st year of the programme at least 1 Full Time Assistant Professor from Commerce or Accountancy or Economics.

For 2nd year of the programme at least 2 Full Time Assistant Professor from Commerce or Accountancy or Economics.

From 3rd year of the Programme at least 3 Full Time Assistant Professor from Commerce or Accountancy or Economics. An independent position of the “Director” should be created by the college from 3rd year of the Programme with a qualification and experience equal to the Associate Professor to run this Programme independently as a separate unit or Department of the college. The Director is responsible for Industry Institute Interaction, Industrial Visit, and Placement of students and so on.

2. Guidelines for organizing Industrial Visits:-

At least 1 Industrial Visit in every semester should be organize from 3rd semester to Financial Institutions/ Investor’s Forums/ National Bodies like SEBI, BSE, NSE, RBI, Insurance companies, Leading Banks etc./ Rating Agencies like CRISIL , Reputed Real Estate Organizations/ Bullion Markets/ Organization providing different financial services to the Investors and Government and Semi Government Agencies.

Industrial Visit fees of Rs. 1,000 should be charged for 3rd, 4th, 5th & 6th Semester each.

The Board will prepare the list of companies and organizations working on the areas of studies involved in the program. Board will also prepare a pool of persons who are experts in the field of Financial Analyst, Rating Agencies like CRISIL, FII, FDI, SEBI, Financial Markets, Capital Markets and may be invited as a visiting faculty in the Colleges.

The Board requests University Authorities to have interactive sessions with the Industry people and Principals of concerned Colleges immediately after the Colleges are permitted to start the programme by the University and the Government of Maharashtra.

SEMESTER I - 1st Year

- 1.1 : “Economics - I”**
- 1.2 : “Introduction to Accounting - I”**
- 1.3 : “Quantitative Techniques”**
- 1.4 : “Introduction to Financial System”**
- 1.5 : “Basics of Investment”**
- 1.6 : “Financial Market Intermediaries”**

SEMESTER II - 1st Year

- 2.1: “Quantitative Economics”**
- 2.2: “Introduction to Accounting - II”**
- 2.3: “Environment of Investment”**
- 2.4: “Introduction to Financial Markets”**
- 2.5: “Introduction to Wealth Management”**
- 2.6: “Business Correspondence”**

SEMESTER III -2nd Year

- 3.1: “Cost & Management Accounting”**
- 3.2: “Basics of Contract and Corporate Laws”**
- 3.3: “Study of Investment Strategists”**
- 3.4: “Taxation in Investment Management”**
- 3.5: “Investment Banking”**
- 3.6: “Fundamental Analysis”**
- 3.7: “Information Technology in Investment”**

SEMESTER IV -2nd Year

- 4.1: “Financial Management”**
- 4.2: “Investment Laws”**
- 4.3: “Marketing of Investment Products”**
- 4.4: “Financial Statement Analysis- II”**
- 4.5: “Actuarial Analysis in Investment”**
- 4.6: “Management of Investment Portfolio”**
- 4.7: “Equity Research”**

At the end of fourth semester two months or minimum 300 hours internship in Industry/firm is compulsory. Evaluation

of the same will be based on internship report submitted by the student (2 hardcopies) and assessment by University Appointed Expert and Internal faculty. Assessment will be based on power point presentation on report by the student and hardcopy of the Report. Distribution of marks will be as follows; 50 marks for presentation and 50 marks for the report (hardcopy) submitted by the student (Paper 5.7).

SEMESTER V - 3rd Year

5.1: “Operations in Equity Market”

5.2: “Fixed Income Analysis - I”

5.3: “Credit Risk Management”

5.4: “Introduction to Derivatives”

5.5: “Alternative Investment”

5.6: “Technical Analysis of Investments”

5.7: “Internship Training Report”

SEMESTER VI - 3rd Year

6.1: “Operations in Currency and Commodity Markets”

6.2: “Fixed Income Analysis II”

6.3: “Risk Management of Market Risk and Operational Risk”

6.4: “Valuation of Derivatives”

6.5: “International Investment Management” Pending

6.6: “Ethics in Investment Markets”

6.7: “Project”

[Evaluation criteria for 5.7 is as stated above and for 6.7 is as follows; Evaluation on the basis of Hard Copy of the Report submitted by the Student, Presentation by Student and Viva Voce Examination]

SEMESTER I – First Year

1.1: Economics:

Module I Introduction to Economics: Meaning, Approaches (Microeconomics and Macroeconomics) concept of Scarcity and wants. The Economic Way of Thinking, Problem of Scarcity, Choice & Unlimited wants, Efficiency curve, Importance of Efficiency curve. 2 Demand and Supply Analysis: Meaning and determinants of Demand, Law of Demand, Supply, Law of Supply, Concept of Price, Equilibrium Price, Elasticity of Demand, Types of elasticity of Demand Production ³ . Analysis: Meaning, Production Function, Short Period and Long Period, Law of Diminishing Marginal Returns, Laws of Returns to Scale	Number of Sessions - 15
MODULE 2 1. Cost Analysis – Types of Cost, Cost Behaviour in the short period, Long run Average cost, Economies of Scale.	Number of Sessions - 15

<p>2. Revenue Analysis: Concepts of Revenue, Link between AR and MR, Revenue curve in perfect market and Imperfect Market.</p> <p>3. Theory of the Firm: Introduction to markets – Perfect Market and Imperfect Markets – Monopoly, Duopoly, Oligopoly, Monopolistic competition. Equilibrium of a firm, MC=MR approach, TC=TR approach.</p>	
<p>MODULE 3</p> <p>Introduction to classical theory, Say's law of Market, Keynesian theory of Income and Unemployment</p> <p>2. Circular flow of Income, Concepts of National Income, GDP, GDS etc.</p> <p>3. Inflation, Deflation. Stagflation, Categories of Inflation, Effects of Inflation, Methods to control inflation</p>	<p>Number of Sessions - 15</p>
<p>MODULE 4</p> <p>1. Introduction to Business Cycles, Phases, Theories, Impact of Business Cycle on economic Growth and Development, Role of the Govt. in various phases.</p> <p>2. Monetary Policy in India: Nature, Objective, Tools of Monetary Policy – CRR, SLR, OMO, Repo, Reverse Repo, Market Stabilization Scheme of RBI</p> <p>3. Fiscal Policy: Tools of Fiscal Policy, Concept of Fiscal Deficit, Link between Fiscal Deficit and Inflation, Link between Fiscal Deficit and Growth of Economy, Role of Fiscal Policy in impacting inflation, deflation and growth of economy</p>	<p>Number of Sessions - 15</p>

Reference Books:

1. Business Economics – Mishra and Puri, Himalaya Publishing House
2. Essentials of Managerial Economics – D. M. Mithani, Himalaya Publishing House
3. Managerial Economics – D. N. Dwivedi, Vikas Publishing House

4. Managerial Economics – G.S. Gupta, Tata Mcgraw Hill
5. Managerial Economics – YogeshMaheshwari, Easter Economic Edition

1.2 – Introduction to Accounting - I

UNIT I: Meaning and scope of Accounting Need, development and definition of accounting, Branches of accounting, Objectives of accounting. Basic accounting terms, accounting concept & conventions, Disclosures: Accounting Principles: International accounting standards (only routines). Accounting standards in India: Concepts, Benefits, Procedures for Issue of Accounting Standards. Various AS: **AS – 1: Disclosure of Accounting Policies**

- (a) Purpose (b) Areas of Policies (c) Disclosure of Policies
(d) Disclosure of Change in Policies (e) Illustrations

AS – 2: Valuation of Inventories (Stock)

- (a) Meaning, Definition (b) Applicability (c) Measurement of Inventory
(d) Disclosure in Final Account (e) Explanation with Illustrations

AS – 9: Revenue Recognition

- (a) Meaning and Scope (b) Transactions Excluded (c) Sale of Goods
(d) Rendering of Services (e) Effects of Uncertainties (f) Disclosure (g) Illustrations
(15 Lectures)

UNIT II: Accounting Transactions: Accounting Cycle; Journal; Rules of debit and credit Compound journal entry; Opening entry; Relationship between journal and Ledger, Rules regarding posting; Trial balance Sub division of journal.
Capital & Revenue: Classification of Income; Classification of Expenditure Classification of receipts. Accounting concept of income; Sources Documents, Bank Reconciliation Statement
(15 Lectures)

UNIT III: Final accounts; Manufacturing account; Trading account, Profit and Loss account, Balance sheet, Adjustment entries. (15 Lectures)

UNIT IV: Accounting for Hire Purchase: Meaning, Calculation of Interest, Accounting for Hire Purchase Transactions by Asset Purchase Method Based on Full Cash Price, Journal Entries, Ledger Accounts and Disclosure in Balance Sheet for Hirer and Vendor. (15 Lectures)

(Total: 60 Lectures)

Reference Books

- Introduction to Accountancy by T.S. Grewal, S. Chand and Company (P) Ltd., New Delhi
- Advance Accounts by Shukla and Grewal, S. Chand and Company (P) Ltd., New Delhi
- Advanced Accountancy by R.L Gupta and M. Radhaswamy, S. Chand and Company (P) Ltd., New Delhi
- Modern Accountancy by Mukherjee and Hanif, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Financial Accounting by Lesile Chandwikh, Pentice Hall of India Adin Bakley (P) Ltd., New Delhi
- Financial Accounting for Management by Dr. Dinesh Harsalekar, Multi-Tech. Publishing Co. Ltd., Mumbai
- Financial Accounting by P.C. Tulsian, Pearson Publications, New Delhi
- Accounting Principles by R.N. Anthony and J.S. Reece, Richard Irwin, Inc

- Financial Accounting by Monga, J.R. Ahuja, Girish Ahuja and Ashok Shehgal, Mayur Paper Back, Noida
- Compendium of Statement and Standard of Accounting, ICAI
- Indian Accounting Standards, Ashish Bhattacharya, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Financial Accounting by Williams, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Company Accounting Standards by Shrinivasan Anand, Taxman, New Delhi
- Financial Accounting by V. Rajasekaran, Pearson Publications, New Delhi
- Introduction to Financial Accounting by Horngren, Pearson Publications, New Delhi
- Financial Accounting by M. Mukherjee and M. Hanif, Tata McGraw Hill Education Pvt. Ltd., New Delhi
- Financial Accounting a Managerial Perspective, Varadraj B. Bapat, Mehul Raithatha, Tata McGraw Hill Education Pvt. Ltd., New Delhi

1.3 : “Quantitative Techniques”

UNIT I [15 lectures]

1. **Introduction to Statistics:** Definition, Uses in business and management with limitations.
2. **Data:** Types of data their different methods of collection, Census and sample survey.
3. **Presentation of data:** Tabular form, frequency distribution and graphical representation of data. (Frequency curve, Ogive curves, Histogram, Box Plot, Line Plot, Scatter diagram).
4. **Measures of central tendencies:** Arithmetic mean, median and mode, geometric mean and harmonic mean, weighted means with their applications in financial institutions and limitations.
5. **Measures of Dispersion:** Absolute measures – Range, Quartile Deviation, Mean deviation and standard deviation. Coeff. of range, Coeff. of Quartile deviation and Coeff. of variations. Covariance between two variables. Utility and limitations of these measures in business and management.

UNIT II [15 lectures]

1. **Bivariate Linear Correlation and Regression:** Karl Pearson’s Coeff. of correlation, Coeff. of determination r^2 , Regression equations and their uses in forecasting.
2. **Curve Fitting Using Method of Least Squares:** Fitting of Linear, Quadratic, Power and Exponential Curves.

UNIT III [15 lectures]

1. **Investment Analysis:** Financial mathematics. Simple interest, compound interest-nominal rate effective rate and continuous compounding.
2. Immediate ordinary annuity, its present value and accumulated value. Deferred annuity.
3. Equated monthly installments (EMI) using reducing interest system amortization of loans and sinking funds. Depreciation of assets. Flat Rate of interest and APR.

UNIT IV [15 lectures]

1. **Arithmetic and Geometric Progressions.** Application oriented questions only.

2. **Concept of real functions:** constant functions, linear functions, $x^n, e^x, a^x, \ln x$.
3. **Basic Limits and Continuity.**

Reference Books:

1. Mathematics for Economics and Finance Methods and Modelling by Martin Anthony and Norman Biggs, Cambridge University Press, Cambridge low-priced edition, 2000, Chapters 1, 2, 4, 6 to 9 & 10.
2. Applied Calculus: By Stephen Waner and Steven Constenoble, Brooks/Cole Thomson Learning, second edition, Chapter 1 to 5.
3. Business Mathematics By D. C. Sancheti and V. K. Kapoor, Sultan Chand & Sons, 2006, Chapter 1, 5, 7, 9 & 10.
4. Mathematics for Business Economics: By J. D. Gupta, P. K. Gupta and Man Mohan, Tata Mc-Graw Hill Publishing Co. Ltd., 1987, Chapters 9 to 11 & 16.
5. Quantitative Methods-Part-I By S. Saha and S. Mukerji, New Central Book Agency, 1996, Chapters 7 & 12.
6. Mathematical Basis of Life Insurance By S.P. Dixit, C.S. Modi and R.V. Joshi, Insurance Institute of India, Chapters 2: units 2.6, 2.9, 2.20 & 2.21.
7. Securities Laws & Regulation of Financial Market : Intermediate Course Paper 8, Institute of Company Secretaries of India, Chapter 11.
8. Investments By J.C. Francis & R.W. Taylor, Schaum's Outlines, Tata Mc-Graw Hill Edition 2000, Chapters 2,4 & section 25.1.
9. Indian Mutual Funds Handbook : By Sundar Shankaran, Vision Books, 2006, Sections 1.7,1.8.1, 6.5 & Annexures 1.1 to 1.3.
10. STATISTICS by Schaum Series.
11. Operations Research by Gupta and Kapoor
12. Operations Research by Schaum Series
13. Fundamentals of Statistics - D. N. Elhance.
14. Statistical Methods - S.G. Gupta (S. Chand & Co.
15. Statistics for Management - Lovin R. Rubin D.S. (Prentice Hall of India)
16. Statistics - Theory, Method & Applications D.S.Sancheti & V. K. Kapoor.
17. Modern Business Statistics - (Revised)-B. Pearles & C. Sullivan –Prentice Hall of India.
18. Business Mathematics & Statistics : B Aggarwal, Ane Book Pvt. Limited
19. Business Mathematics : D C Sancheti & V K Kapoor, Sultan Chand & Sons

1.4: “Introduction to Financial System”

<u>UNIT</u>	<u>DETAILED CONTENT</u>	<u>LECTURES</u>
One	<ul style="list-style-type: none"> • An introduction to the financial system <ul style="list-style-type: none"> ○ Overview of financial system ○ Functions of a financial system ○ Evolution of financial systems (bank oriented to capital market oriented) ○ Financial systems in India compared with those in developed nations and developing nations ○ Constituents of the financial system and interrelationships between various components 	15
Two	<ul style="list-style-type: none"> • Intermediation versus non intermediation <ul style="list-style-type: none"> ○ Intermediation: definition, role, features, mediums ○ Non-intermediation: definition, role, features, mediums, how non intermediaries support intermediation. 	15

	<ul style="list-style-type: none"> • Financial markets <ul style="list-style-type: none"> ○ Kinds of financial markets (multiple ways to classify markets) ○ Features, Role and functions of each market ○ Size, Structure, participants and importance of each market 	
Three	<ul style="list-style-type: none"> • Financial institutions <ul style="list-style-type: none"> ○ Kinds of financial institutions ○ Intermediary financial institutions and non-intermediary financial institutions ○ Features, Role and functions of each kind of institution ○ Size, Structure, participants and importance of each kind of institution • Financial services <ul style="list-style-type: none"> ○ Meaning and features of financial services ○ Role and functions of financial services ○ Kinds of financial services: Intermediation based i.e. fund ○ Kinds of financial services: Non Intermediation based i.e. fee ○ A table showing the institutions and services offered 	15
Four	<ul style="list-style-type: none"> • Financial regulators <ul style="list-style-type: none"> ○ Meaning and features of financial regulators ○ Role and functions of financial regulators ○ Kinds of financial regulators ○ A table showing the various regulators, the markets they regulate • Financial instruments <ul style="list-style-type: none"> ○ Meaning and classification of financial instruments (multiple ways of classifying financial instruments) ○ Types of financial instruments ○ Evaluation of financial instruments (risk return tradeoff) ○ Characteristics of financial instruments ○ New financial instruments 	15

RECOMMENDED RESOURCES

The Indian Financial System: Markets, Institutions and Services, Bharati V Pathak

Financial Institutions and Markets, L.M. Bhole

Modern Financial Systems: Theory and Applications, Edwin H. Neave

Financial Markets And Institutions, Saunders, Cornett

Indian Financial System And Markets ,Saha

1.5. Basics of Investment and Wealth Creation:

Unit	Detailed Content	Lectures
1.	General Principles Of Investing Introduction to Investment , Savings Vs. Investment, Investing Vs. Speculation, Investing Vs. Borrowing, Why is investment necessary, When to Start Investing, What is meant by interest Rate , Factors determining interest rates, Simple Interest and Compound Interest, Investment Objectives – Setting SMART Goals, Asset Classes available for investments – Financial Assets Vs. Non-Financial Assets, Important attributes of Various asset classes – Safety (Risk), Liquidity, Yield. Co-relation between various asset classes Debt Management - Purpose, Need and responsibilities, Short Term Debt Vs. Long Term Debt, Fixed Rate Vs. Variable Rate Mortgages, Consumer Loans, Refinancing, Hire Purchase Credit Cards, Leasing Personal Financial Statement Analysis Cash inflows and cash outflows, income and Expenditure statement, Budgeting and forecasting, Monitoring budgets and provisions for savings, Personal Balance Sheet and Forms Of Business Ownership Sole Proprietorship; Partnership Firm; Limited Liability Partnership; Limited Liability Companies; Trusts; Foundations/Exempt Organizations; Co-operative Societies	15
2.	Financial Mathematics - I Time Value Of Money Present Value; Net Present Value; Future Value; Annuities – Immediate and Deferred; Growing Annuities and Inflation adjusted Annuities Calculation of returns Nominal Rate of Return, Effective Rate of Return, Internal Rate of Return, Holding Period Return (HPR), Compounded Annual rate of Return (CAGR), Real Rate of Return after adjusting for Inflation, Rate of Return after adjusting taxes	15
3.	Financial Mathematics – II Total Assets – Net Worth and Financial Ratios Net worth and its components, Liquidity Ratios, Debt to income Ratio, debt to financial assets, debt to total assets, savings Ratio Loan Calculations EMI Calculation; Loan restructuring – Present Value of future payments; Loan repayment schedules; Loan repayments with varying interest rates;	15

	Amortization; Home Equity; Refinancing cost; Fixed EMI Vs. Fixed Tenure	
4.	<p>Risk Profiling of Products and Investors – Asset Allocation</p> <p>Types of Investment Risk Market Risk – Systematic and unsystematic, Inflation Risk, Interest Rate Risk, Credit Risk, Maturity Risk, Liquidity Risk, reinvestment risk, Exchange Rate Risk. Regulatory Risk, Investment Manager (Alpha) Risk, Business Risk</p> <p>Product Profiling in terms of Risk and Tenure Short Term Products – Low Returns with Capital Protection Medium Term Products – Inflation beating with adequate Capital protection Long Term Products – Managed Risk for wealth creation in the long term</p> <p>Risk Profiling of Investor Understanding Investor’s investment psychology and investment behaviour; Riskbased on investor’slifestage; Risk based on investors earnings, income generation and assets; Risk Tolerance – risk capacity and risk appetite; classifying investors as per their risk profile; matching products to investors risk profile and tenure of goals</p> <p>Asset Allocation Asset Allocation – Base of Investment Planning; Asset Classes – Equity, Debt, Cash. Precious metals; Expected rate of return; Goal Specific Asset Allocation; Change of asset allocation while approaching goals; Selection of asset mix as per clients goals</p> <p>Types of Asset Allocation Strategies Strategic, Tactical and Life Stage asset allocation</p> <p>Wealth Creation – Factors and Principles Income and Savings Ratio; Allocation of savings to asset classes; Consistency in savings and monitoring; Taking advantage of opportunities in various asset classes; Overall effective yield and tax aspects; Wealth protection and wealth erosion</p>	15

Suggested Books –

<u>Sr. NO</u>	<u>Title of the Book</u>	<u>Name of Author/s</u>	<u>Publisher</u>
1)	Investment Management	Dr. V A Avadhani	Himalaya Publishing House
2)	Personal Finance	Jack R Kapoor, Les R Dlabay, Robert J Hughes	Tata McGraw – Hill Publishing Co. Ltd.
3)	Investment Management – Security Analysis and Portfolio Management	Preeti Singh	Himalaya Publishing House
4)	Investment Analysis and Portfolio Management	Dr. Prasanna Chandra	
5)	Strategic Financial Planning over the Life Cycle •	NaratCharupat Huaxiong Huang Moshe A. Milevsky	Cambridge University Press
6)	Personal Finance	Jeff Madura	Pearson Education

1.6: “Financial Market Intermediaries”-

<u>Unit 1:</u>	<u>Basics of Financial Intermediaries</u> <ul style="list-style-type: none"> • Definition of Financial System • Meaning of Financial Intermediaries • Need for financial intermediation in the Financial System • Role and functions of Financial Intermediaries • Benefits of Financial Intermediaries (w. r. t economies of Scale) • Implication of financial intermediation (effect on economic development , Hirshliefer Model) • Registration of Financial Intermediaries 	(15)
<u>Unit 2</u>	Taxonomy of Financial Intermediaries(Banks, Credit Unions, Financial Advisors and Brokers, Insurance Companies, Investment Schemes and Mutual Funds , Pension funds , Non Banking Financial Companies ,Financial Institution – IDFC, ILFS, PFC, NABARD, SIDBI) Credit Rating Agencies – Role and Importance	(15)
<u>Unit 3</u>	<u>Theories of Financial Intermediation</u> <ul style="list-style-type: none"> • Transaction costs • Liquidity insurance • Information asymmetry <u>Management of Financial Intermediaries and and Issues pertaining to</u> <ul style="list-style-type: none"> • Performance measurement • ALM for liquidity risk • Credit Risk • Interest Rate Risks • Regulation of DMAT 	(15)
<u>Unit 4</u>	<u>Future Trends</u> <ul style="list-style-type: none"> • Financial Intermediaries – Global Perspective • Future and Challenges in Financial Intermediaries 	(15)

Ref Books Pending:...

SEMESTER II – First Year

2.1: “Quantitative Economics”

Quantitative Economics (2.1)

<p>Module 1: Introduction to Statistics: Concepts: Data, element, variable, observation. Scale of measurement, Quantitative and qualitative, cross sectional and time series. Sources of data , existing , statistical studies, scope of statistics, Accounts, Marketing, Production, Finance and Economics. Introduction to probability, rules of probability, random variables and probability distributions, mean and variance of distributions, joint distribution and its characteristics, standard distributions and their properties, simple random sampling and sampling distributions</p>	<p>15 Sessions</p>
<p>Module II Derivative; differentiability; Rules of differentiation; Partial differentiation; Total differentials; Total derivatives; Implicit functions; Applications in Economics Optimization:First and second derivative tests; Exponential function: Derivatives;</p>	<p>15 Sessions</p>
<p>Module III Index Numbers: Meaning, Types, Uses, Price relatives, Aggregate Price Indexes, Quantity Indexes. Finding maxima /minima, Unconstrained optimization; Quadratic forms; Characteristic roots; Concavity and convexity; Applications in Economics</p>	<p>15 Sessions</p>
<p>Module IV Constrained optimization: Classical Programming; Lagrange multiplier; Secondorder condition; Homogeneous functions; Homotheticity; Euler's theorem;Cobb-Douglas function; CES function; Trans log Function; Applications in Economics.</p>	<p>15 Sessions</p>

Reference Books:

1. **Quantitative Method for Economists – Veerachamy R. , New Age International**
2. **Mathematics in Economics – Dr. Mehta & Madnani,**
3. **RGD Allen – Mathematics for Economics**
4. **Taro Yamaney - Mathematics for Economics**
5. **Understanding Quantitative Economics – Rathindra P. Sen, Somu & Daniel M. O, Daya Publishing House**
6. **Econometrics by Example – Damodar Gujarati, Palgrave Macmillan**
7. **An Introduction to Applied Econometrics – Kerry Patterson, Palgrave Macmillan**

2.2: “Introduction to Accounting - II”

UNIT I: Investment Accounting w.r.t AS 13- (a) For shares (variable income bearing securities)

(b) For debenture bonds etc. (fixed income bearing securities) (c) Accounting for transactions of purchase and sales of investments with ex and cum interest prices and finding cost of investment sold and carrying cost as per weighted average method (d) Columnar format for investment account (15 Lectures)

UNIT II: Accounting for translation of foreign currency transactions vide AS 11 (excluding foreign branches and forward exchange contracts and hedging contracts) “In relation to purchase and sale of goods, services and assets and loan and credit transactions.”

- Computation and treatment of exchange differences (15 Lectures)

UNIT III: Accounts of Non-Trading Institutions & Service Industries (15 Lectures)

UNIT IV: Issue of Shares and Debentures, Redemption of Preference shares. (15 Lectures)

(Total: 60 Lectures)

Reference Books

- Introduction to Accountancy by T.S. Grewal, S. Chand and Company (P) Ltd., New Delhi
- Advance Accounts by Shukla and Grewal, S. Chand and Company (P) Ltd., New Delhi
- Advanced Accountancy by R.L Gupta and M. Radhaswamy, S. Chand and Company (P) Ltd., New Delhi
- Modern Accountancy by Mukherjee and Hanif, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Financial Accounting by Lesile Chandwick, Pentice Hall of India Adin Bakley (P) Ltd., New Delhi
- Financial Accounting for Management by Dr. Dinesh Harsalekar, Multi-Tech. Publishing Co. Ltd., Mumbai
- Financial Accounting by P.C. Tulsian, Pearson Publications, New Delhi
- Accounting Principles by R.N. Anthony and J.S. Reece, Richard Irwin, Inc
- Financial Accounting by Monga, J.R. Ahuja, Girish Ahuja and Ashok Shegal, Mayur Paper Back, Noida
- Compendium of Statement and Standard of Accounting, ICAI

- Indian Accounting Standards, Ashish Bhattacharya, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Financial Accounting by Williams, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Company Accounting Standards by ShrinivasanAnand, Taxman, New Delhi
- Financial Accounting by V. Rajasekaran, Pearson Publications, New Delhi
- Introduction to Financial Accounting by Horngren, Pearson Publications, New Delhi
- Financial Accounting by M. Mukherjee and M. Hanif, Tata McGraw Hill Education Pvt. Ltd., New Delhi
- Financial Accounting a Managerial Perspective, Varadraj B. Bapat, Mehul Raithatha, Tata McGraw Hill Education Pvt. Ltd., New Delhi

2.3: “Environment of Investment”

Sr. No.	Topics	No of hours
1	Business environment and its implication, economic policy framework of India, reforms in Indian economy, pre and post 1991 economic framework	15
2	Political environment, Economic policy framework, role of Government in attracting foreign investment, Role of governing in setting business climate	15
3	FII and FDI environment for investment , technology environment, socio political environment. Effect of foreign business on Indian business houses.	15
4	Case study like Vodafone case, nokia	15

	case, GAAR which has affected the business environment for Foreign investors in india	
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Books:-

1. Indian Business environment by Ashwathapa
2. International Business environment by V K Bhalla

2.4: “Introduction to Financial Markets”–

<u>UNIT</u>	<u>DETAILED CONTENT</u>	<u>LECTURES</u>
One	<ul style="list-style-type: none"> • An introduction to the financial markets <ul style="list-style-type: none"> ○ Overview of financial markets ○ of a financial markets ○ Structure of financial markets (multiple ways to classify markets Functions) ○ Capital formation process through markets 	15
Two	<ul style="list-style-type: none"> • Capital markets <ul style="list-style-type: none"> ○ Meaning, classification and structure ○ Various sub-segments of the market ○ Role played by the capital market ○ Capital market instruments ○ Participants in these markets ○ Various capital market regulators ○ Advantages and drawbacks • Money markets <ul style="list-style-type: none"> ○ Meaning, classification and structure ○ Various sub-segments of the market ○ Role played by the money market ○ Capital market instruments ○ Participants in these markets ○ Various money market regulators ○ Advantages and drawbacks 	15
Three	<ul style="list-style-type: none"> • Foreign exchange markets 	15

	<ul style="list-style-type: none"> ○ Meaning, classification and structure ○ Role played by the forex market ○ Capital market instruments ○ Participants in these markets ○ Various market regulators ○ Advantages and drawbacks ○ The link between exchange rates, forex markets and the currency reserves of a country <ul style="list-style-type: none"> ● Commodity markets <ul style="list-style-type: none"> ○ Meaning, classification and structure ○ Functions of the commodity market ○ Debate on commodity market as a financial market ○ Evolution of the commodity market ○ Structure and working of the market ○ Regulation of the market ○ Advantages and drawbacks ● Derivative markets <ul style="list-style-type: none"> ○ Meaning, classification and structure ○ Functions of the derivative market ○ Evolution of the derivative market ○ Structure and working of the market ○ Regulation of the market ○ Advantages and drawbacks 	
Four	<ul style="list-style-type: none"> ● Market exchanges <ul style="list-style-type: none"> ○ Types of exchanges ○ Role played by exchanges ○ NSE ○ BSE ○ MCX ○ OTCEI ● Market regulators <ul style="list-style-type: none"> ○ SEBI 	15

RECOMMENDED RESOURCES

The Indian Financial System: Markets, Institutions and Services, Bharati V Pathak

Financial Institutions and Markets, L.M. Bhole

Financial Institutions and Markets, Anthony Saunders

Capital Markets, 2E, By Gurusamy

NSE yearbook on capital markets

2.5. “Introduction to Wealth management”

Unit	Detailed Content	No. Of. Lectures
1.	<p>Overview of Wealth management</p> <p>Introduction to Wealth management Definition of Wealth management; understanding wealth management; wealth management process; phases in wealth management process; wealth management market in India</p> <p>Holistic Planning Framework Sources of wealth; human Capital; Financial Capital; Financial Life Cycle; Working Life – Pre-family independence; Family; Pre-retirement; Retirement – Active retirement; Passive Retirement; Elderly Care; Retirement related risk – risk identification; Market Risk, Asset Allocation Risk, Interest Rate Risk, Inflation Risk, Health/liquidity risk, Longevity Risk</p> <p>The Financial Planning process Establish and define the relationship with the client; Personal Fact Finding; Analyze Client’s financial status, Risk profile and determine financial goals; Develop financial planning recommendation and present it to client; Implement client’s financial planning recommendations; Monitor and review the client’s situation</p> <p>Asset Classes Debt as an asset class; Role of debt in wealth management; risk of investing in debt securities; Equity as an asset class – investing in stocks;</p>	15
2.	<p>Role of Insurance in Wealth Management</p> <p>Analysis of Live Cover, Strategies and Products Assessment and identification of Risk Cover – Gathering data on current Life Insurance Cover; Identifying clients life insurance needs Analysis of Life Insurance Needs – Economic Value of human life; Replacement of the future income of the insured; Replacement of the expenses and financial liabilities of the insured; provision in the life cover of certain financial goals and financial liabilities; Review of coverage for changes in income, assets and financial liabilities</p> <p>Life Insurance Types of Life Insurance Policies - Term Insurance; Whole Life Insurance: Endowment Policy; Investment Linked Insurance (ULIP); Insurance Linked annuities; Life insurance Policy riders</p>	15

	<p>Calculation of Claim amount and other benefits – Types of Bonus; Maturity Claim; Death Claim; Surrender Value; Return on Savings Component; Taxation aspect of various insurance Policies</p> <p>General Insurance</p> <p>Health Insurance and Accident Insurance – Individual Vs. Family floater Policy; Critical Illness policy; Group health Insurance; Personal and group accident Insurance; Personal Disability Insurance – Permanent and Temporary, Partial and Total; Scope of benefits – long term and short term disability;</p> <p>Property and Liability Insurance – basis of property cover – Reinstatement, Book or Market Value; Insuring House, Household items, business unit, plant and machinery; personal Umbrella Policy; miscellaneous overseas travel insurance; Motor Insurance – Comprehensive and Mandatory Third party coverage; No claim Bonus and claims</p> <p>Other business specific Insurance – professional Indemnity Insurance; Keyman Insurance; Marine Insurance, Cargo and Hull Insurance; Inland Transit Insurance</p> <p>Introduction to the following Acts</p> <p>Insurance Regulatory and Development Authority (IRDA) Act-1999; The Insurance Act-1938; Public Liability Insurance Act-1991; Motor Vehicle Act-1988 Employee State Insurance Act-1948</p>	
3.	<p>Retirement Planning</p> <p>Employee Benefits and Superannuation Benefits</p> <p>Employee Benefits – Salary and Bonus; Reimbursement of expenses; Health Benefits; Group Insurance; LTA, TA, Concessional Loans</p> <p>Defined Benefit Plans and Limitations – Characteristics of DB Plans, Types of Defined Benefit Plans, their Features, Applicability and withdrawal norms, Taxability</p> <p>Defined Contribution Plans and Limitations – Characteristics of DC Plans, Types of Defined contribution Plans, their features, Applicability. And withdrawal norms, taxability</p> <p>Superannuation benefits and schemes – Trust Funds, Private Fund Managers, and Insurance Companies, Benefits - on retirement, Voluntary retirement and Death</p> <p>Retirement Needs and Factors in retirement Planning</p> <p>Introduction to retirement planning - Significance of retirement planning; Purpose and need of retirement planning; Role of Wealth planner in retirement planning; Importance of starting early; Analysis of Client's Life Cycle – Early earning stage and established earning stage; stability and visibility of earnings; Accumulation and Distribution phase; Life Expectancy Vs. Retirement age; Early Vs. Delayed retirement; Risk of living longer than expected;</p> <p>Factors considered in retirement planning – Nature of Income; salaried, bonus and self employed; standard of living; time horizon; inflation in accumulation and distribution phase; profile of assets sustainable till retirement; income generating potential of fixed assets; liquidity aspects of fixed and other assets; Profile of financial and other liabilities</p>	15

	<p>nearing retirement Analysis of client’s retirement needs – Estimating household expenses on retirement; Corpus estimated to meet post retirement needs; Alternate arrangements for supplementing retirement corpus; cost of escalation of medical expenses in post-retirement; charitable activities and social work</p> <p>Retirement Planning Process Ascertain client’s current primary household expenses; Estimate average expected inflation rate pre and post-retirement; Estimate client’s expenses post-retirement; Ascertain client’s income from fixed assets/other sources post-retirement; Estimate client couple’s life expectancy; Estimate basic corpus accommodating client’s other special purposes; Earmark client’s non-liquid/non-consumption assets and their future value; Estimate Net Corpus to be accumulated; Ascertain client’s current sources of income and saving potential; Prioritize investible surplus in various financial goals including retirement; Ascertain risk profile of client and changes with life stages; Ascertain risk capacity as per age and asset profile; Ascertain client’s Asset Allocation to create retirement corpus; Optimize rate of return from the chosen Asset Classes</p> <p>Income Streams during Retirement – Employer Provided superannuation plans; Provident Fund; Public Provident Fund; Small Savings Schemes; NPS; Pension Plans from MF’s and Insurance Companies; Reverse Mortgage to supplement post retirement expenses.</p>	
4.	<p>Estate Planning</p> <p>Estate Planning Overview - The concept of Estate Planning; Purpose and Need of Estate Planning; Risks and Drawbacks involved in Estate Planning; Hindu and Indian Succession Act; Succession-Testate and Intestate</p> <p>Estate Planning Process -</p> <p>Collect comprehensive information and examine circumstances to set Estate planning goals; Determine value of client’s estate and liquidity aspects; Estimate cost of transfer and other expenses; Develop a plan of transfer; Implement plan and review periodically</p> <p>Methods of Estate Planning - Will; Trust; Insurance; Gift; Power of Attorney; Transfer of property and partition</p> <p>Will - Characteristics and Contents of a Will; Types of Will- Unprivileged, Privileged, Joint, Mutual and Conditional; Legal requirements and Testamentary capacity; Modifying or revoking a Will; Probate Process</p> <p>Powers of Attorney - Use and purpose; Types- General and Special; Revocation; Role of the executor</p> <p>Trust - Classification of Trust – Revocable and Irrevocable -</p> <p>Characteristics of Trust– Discretionary and Determinate; Different types of family trust; Family trust V/s Will; Parties to Trust; Rules relating to perpetuities; Other Provisions</p>	15

Suggested Books –

Sr. NO	Title of the Book	Name of Author/s	Publisher
1)	Wealth	Stuart E Lucas	Wharton School Publishing
2)	Wealth Management	Dun & Bradstreet	Tata McGraw – Hill Publishing Co. Ltd.
3)	Your Life Time Guide to Financial Planning	Ben Stein Phil Demuth	New Beginnings Press
4)	Tax and Succession Planning through Trusts and Wills	Ram NiwasLakhotia, SubhashLakhotia	Vision Books Pvt Ltd
5)	Strategic Financial Planning over the Life Cycle	• NaratCharupat • Huaxiong Huang • Moshe A. Milevsky	Cambridge University Press
6)	Lifetime Financial Advice : Human Capital, Asset Allocation and Insurance	• Roger G Ibbotson • Kevin X Zhu • Moshe A Milevsky	Reseach Foundation of CFA Insstitute
7)	Wealth Engine Indian Financial Planning and Wealth Management handbook	• SundarShankaran	Vision Books Pvt. Ltd

2.6: “Business Correspondence”

Unit –1 Introduction to Business correspondence 15 lectures

- 1 Meaning, definition, importance,
- 2 Verbal- Non-verbal forms
- 3 Modes of communication
- 4 Audio-visual forms (Fax, Telex, Video Conferencing, &e-communication

Unit 2 Corporate Communication/ Satellite communication 15 lectures

- 1 Emergence and Growth of communication with staff
- 2 Bank Correspondence & Marketing of products
- 3 Insurance and Bancassurance other than life
- 4 communications with AD Agencies

Unit 3 Secretarial Correspondence 15 lectures

1 Letters to Directors/ Shareholders

2 Letters related to Derivative/Debentures/Mutual Funds/ Bonds &KYC

Unit 4 Investment Management correspondence 15 lectures

1 Foreign Trade Letters

2 Portfolio Management letters

3 Foreign Direct Investment Correspondences

LIST OF REFERENCE BOOKS RECOMMENDED:

- Business Communication- Process & Product, Mary Ellen Guffy
- Business Communication and Organisation Management, Rohini Agrawal, Taxman allied Services Pvt. Ltd, New Delhi
- More Effective Communication – a manual for professionals, L V William
- How to write successful business letters by John F Rieble, D.B.Traporwalla & sons Pvt ltd, Mumbai
- Principles and practice of commercial correspondence by J Stephenson- sir Isaac Pitman & sons ltd., London
- Commercial English and Commercial correspondence by P.C.Ghose- The world press private ltd., London
- Handbook of Business letters by L.E.Frasiley, Prentice Hill, Inc. Eaglewood Cliffs.N.J. New York
- English and American Business letters by Eckersley and Kauffman- Longmans Group ltd. London
- Business communication and Secretarial Practice- Dr.chaturvedi & Bansal- Sahitya Bhawan, Agra
- Principles of Management by Koontz & O'Donnell- McGraw- Hill Book company, Kognakusha Company Ltd. Tokyo, Japan

SEMESTER III - 2nd Year

3.1: “Cost & Management Accounting”

Unit – I

(15 Lectures)

Meaning and use of different costs for different purposes

- a. Product costs and period costs
- b. Direct costs and indirect costs
- c. Cash costs and non-cash costs
- d. Opportunity costs
- e. Specific costing concept relevant to Investment sector

Cost Statement, Absorption Vs Variable Costing – Marginal Costing – Break-even and CVP Analysis and Decision making – Activity – Based Costing (ABC) – Pricing Decision.

Unit –II (15 Lectures)

Operating costing: Special weighted to Investment services industries like Banking companies, Insurance companies, Stock Broking companies, Financial Institutions etc.

Unit – III (15 Lectures)

Budgeting and Budgetary Control forecasts Vs. Budgets – Functional Budgets Fixed and Flexible Budgeting – Zero Base Budgeting – Cash Budgeting - Programme Budgeting and Performance Budgeting.

Standard Costing and Variance Analysis – Material, Labour, Overhead and Sales Variance, Reporting and investigation of Variance.

Unit -IV (15 Lectures)

Management Accounting – Definition, Nature, Scope & Functions, Role of Management Accounting – Tools of Financial Analysis and Planning, Introduction to Cash Flow Analysis.

(Total: 60 Lectures)

Recommended Books:

1. Cost management – Saxena and vashist
2. Cost and management accounting – Ravi N Kishor
3. Essential of management accounting – P.N.Reddy, Himalaya publication.
4. Advanced Management Accounting – Robert S Kailer.
5. Financial of management Accounting – S.R. Varshey, Wisdom.
6. Intorduction of management accounting learning – Charbs T Horngram, PHI.
7. MagamentAccouting – I.M Pandey, Vikas Publications.
8. Cost and management accounting – D.K.Mattal, Galgotia Publications.
9. Cost accounting Theory and Practice-M.N.Arora,Sultan Chand and sons.
10. Management Accounting – Khan and Jain, Tata Megraw Hill.
11. Management Accounting – R.P.Rastogi.

3.2: “Basics of Contract and Corporate Laws”

Module 1. Contract Act : Meaning, Definition, Essentials, Offer, Acceptance, Capacity, Consideration, Free Consent, Discharge and termination, Performance, Types of contract

15

Module 2. Sale of Goods Act : Important Terms, Sale and Agreement to Sell, Condition and Warranty, Unpaid seller and his rights.

Bailment : Meaning, Essentials, Types, Rights and Duties of parties, Pledge and its conditions

15

Modules 3. Corporate Law : Nature, Types, Case Laws, Registration, Ultra Virus, Constructive Notice, Indoor Management, Directors, Management, Borrowing Powers, Meetings, Preliminary Contract, Public Deposits, Prospectus and Misstatement, Capital and types, Shares and types, Alteration to capital, Qualification and disqualification, Appointment and Removal, Lifting of Corporate veil

15

Module 4. Consumer Protection Act : Meaning, Terms, Definitions, Consumer Redressal Machinery, Consumer Protection Council

Agency Contract : Meaning, Essentials, Types, Role of Principal and Agent, Modes of appointment and Termination.

15

Ref Book Pending....

3.3: “Study of Investment Strategists” -

<p>U n it 1:</p>	<ul style="list-style-type: none"> ● Concepts in Behavioral Finance Prospect Theory , Herd Behavior, Anchoring and Contrarian Theory ; Mental Accounting and Gamblers’s Fallacy. ● Behaviuoral Finance : Investor Psychology Value Investing , Role of Emotions in financial decision making- Common Errors: Skewness of assets allocation due to cultural and historical bias ; Basic Investment Style and its drawback. ● Investment Planning to achieve Financial Goals: Goal Specific Portfolio Vs. Common Investment Pool; Selection of products and product diversification; Lump sum Investments Vs. Systematic staggered Investments; Monitoring progress in investment portfolio for goal achievement; addressing risk aversion; avoiding speculation; protecting portfolio erosion ● Measuring Risk Expecting returns from a goal portfolio; Beta and Portfolio Beta; Variance, semi variance and covariance; Standard deviation including standard deviation of 	<p>(1 5)</p>
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	<p>portfolio; correlation and correlation efficient</p> <ul style="list-style-type: none"> ● Diversification Strategies Types of Diversification – Horizontal, Vertical, Geographical, Cross Border; Nature of products for diversification; Time Diversification; Effect of diversification on portfolio Risk and return; Hedging 	
<u>Unit 2</u>	<ul style="list-style-type: none"> ● Analysis of Returns Relationship between risk and return; Power of Compounding; Time Weighted return Vs. Rupee Weighted return; YTM, YTC and Current Yield; performance analysis of stocks – Dividend Yield, EPS; Market Valuation ratios – Price to earnings ratio (P/E), Price to Book value ratio (P/B); Market P/E Ratios – undervalued or overvalued markets; Security valuation – Dividend Discount Model (DDM); Analysis of growth, dividend payout and reinvestment options (MF schemes); Measurement and evaluation of portfolio performance. ● Active Investment Strategies Dynamic management of Asset Allocation across classes; Frequent churning of portfolio to book profits/losses; Hunting for gains from investing in temporarily undervalued sectors/stocks; Speculation, Hedging and Arbitrage Strategies; Market timing Securities selection; Investment Style-Value vs. Growth ● Passive Investment Strategies Buy and Hold strategy; Index Investing; Systematic Investment Plan (SIP), Systematic Withdrawal Plan (SWP) and Systematic Transfer Plan (STP); Value Averaging Investment Plan (VIP) 	(15)
<u>Unit 3</u>	<ul style="list-style-type: none"> ● Investment Portfolio Management Risk and return on a portfolio- Sharpe, Treynor and Jensen's Ratio; Capital Asset Pricing Module (CAPM); Capital Market Line (CML) and Security Market Line (SML); Modern Portfolio Theory (MPT); Monte Carlo Simulation for portfolio optimization. ● Revision of Portfolio Benefits of Revision; Periodic review and revision of portfolio; Portfolio Rebalancing; Buy and Hold policy, Constant Mix policy and Portfolio Insurance policy; Portfolio upgrading ● Wealth Creation – Factors and Principles Income and Savings Ratio, Allocation of Savings to asset classes, Consistency in Savings and Monitoring, Taking Advantages of Opportunities in various classes, Overall effective yield and tax aspects, Wealth Protection and Wealth Erosion. 	(15)
<u>Unit 4</u>	<p>Philosophy of Investment Strategists :</p> <ul style="list-style-type: none"> ● Warren Buffet, ● Rakesh Zunzunwala, ● Motilal Oswal ● Asit Mehta ● Prabhudas Lilladhar 	(15)

Ref Book Pending....

3.4: “Taxation in Investment Management”

1. Income Tax Act/Rules

Unit 1: Basic concepts and Definitions

(06L)

Section 2 - Assessee, Assessment Year, Assessment, Annual value, Business, Capital asset, Income, Person, Previous year, Transfer.

Section 3 - Previous Year,

Section 6 - Residential Status, Scope Of Total Income, Deemed Income.

Section 10 – Exempted Incomes Exemptions related to specific Head of Income to be covered with Relevant Provisions such as Salary, Income from Other Sources etc.

Computation Taxable income under different heads

(15L)

Section 15 – 17 - Income from Salary,

Section 22 – 27 - Income from House Property,

Section 28 – 43 - Income from Business & Profession,

Section 44 – 55 - Income from Capital Gain,

Section 56 – 59 - Income from Other Sources

Unit 2: Provisions for deductions, calculation of Taxable Income & Tax Liability, Including Provisions regarding TDS & Provisions regarding Advance Tax

(09L)

Section 80 C – Investment in Government Securities,

Section 80CCC – Pension Fund,

Section 80D – Mediciam Insurance Premium,

Section 80 DD – Medical Expenditure on Handicapped Relatives,

Section 80E – Interest Paid on Loan Taken for Higher Education,

Section 80G – Donations,

Section 80U – Income earned by Handicapped Assessee.

Unit 3: Service Tax Act & Wealth Tax Act

(15L)

Basic concepts – Service Tax

Section - 65 Definitions

Section - 66B Charge of service tax on and after Finance Act, 2012

Section - 66D Negative list of services

Section - 67 Valuation of taxable services for charging service tax

Section - 67A Date of determination of rate of tax, value of taxable service and rate of exchange

Section - 68 Payment of service tax

Section - 69 Registration

Section - 70 Furnishing of returns

Securities Transaction Tax

— Basic Definition, Charges and Assessment of STT

Basic concepts – Wealth Tax & Computation of Wealth Tax liability

Section 2 - Assessee, Assessment Year, Valuation Date, Assets, Net Wealth

Section 3 – Assessable Entities

Section 6 – Exemption in respect of certain Assets

Unit 4:Tax Planning

(15L)

1. Taxation of various financial products and transactions
 - a. Tax implications for Non-Resident Indians- Exempt Income; Special Tax rates for non-resident Indians; Exemption from Long term Capital gains tax; benefits available in certain cases after becoming resident; Double taxation relief
 - b. Tax Planning- various avenues and techniques – Need and importance of Tax Planning; Tax Planning Vs. Tax evasion and avoidance; Tax planning Vs. Tax management; Deferral of tax liability; Maximization of exclusions and credits; deductibles expenditures of individuals and business forms
 - c. Tax Liability of various Financial Products – PF and Small savings Schemes – Contribution, Interest, withdrawal and terminal value; Equity shares – Listed and Unlisted; Equity oriented products – Equity schemes of MF’s, ETF’s, ELSS etc.; Debt products – Bonds, debentures, government securities; Income schemes of MF’s including Fixed Maturity Plans; Income distribution and dividend on various investment products; SST and DDT; Life and health insurance products, ULIPs, Unit Linked Pension Plans; Annuities, Pension products and Reverse Mortgage
 - d. Taxation on various Financial Transactions – Transaction in nature of gifts; Agricultural Income; Tax payment over a specified limit; Dividend and Bonus stripping provisions – shares, MF schemes including with reinvestment option
 - e. Wealth Tax – Chargeability; clubbing of assets; Exemption in respect of Assets; Valuation of Assets

Notes:

1. The Syllabus is restricted to study of particular sections, specifically mentioned rules and notifications only.
2. The Law In force on 1st April immediately preceding the commencement of Academic year will be applicable for ensuing Examinations.

TOTAL

60L

Books Recommended:

1. Direct Taxes Law & Practice –V.K. Singhania
2. Direct Taxes Laws - T.N. Manohara
3. Professional Approach Direct Taxes – Ahuja & Gupta
4. Service Tax – V.S. Datey
5. Direct Taxes Law & Practice - DinkarPagare.
6. Service Tax- Sanjeev Agarwal &Parthsarthy
7. Personal Investment & Tax Planning Yearbook - N.J. Yaraswy,
8. Law and Income Tax - A.C. SampathyIyengar, Bharat Publishing House, Allahabad.
9. Master Guide to Income Tax Act - Pradeep S. Shah & Rajesh S. Kadakia, Taxmann
10. Direct Taxes - Dr. B.B. Lal
11. Income Tax and Central Sales TaxbyGirish Ahuja , Ravi Gupta,jain book depot.
12. Indirect Taxes by V.S.Datey published by Taxmann
13. Service Tax Reckoner V.S.Datey published by Taxmann
14. Service Tax S.S. Gupta published by Taxmann

3.5: “Investment Banking” -

Unit	Detailed Content	Lectures
1	Investment its meaning and scope, types of asset classes, asset allocation, creating portfolio and process of portfolio management	15
2	Risk and return concepts, types of risk and its application, ASBA, IPO and FPO, SEBI disclosures and other regulators	15
3	Investment banking concepts, Private placement methods, role of venture capital firms in raising funds, due diligence methods	15
4	Industry analysis, role of IPO in value unlocking, recent trends and developments, investments banking activities,	15

Ref. Books: Pending....

3.6: “Fundamental Analysis” -

Unit	Detailed Content	Lectures
1	Economic analysis, understanding GDP, inflation, interest rates, exchange rates, IIP index, Balance of Payment, application of macroeconomic indicators in stock market	15
2	Industry analysis its meaning and scope, dynamics of industry analysis, porter five factor model, analyzing the various industry as case studies	15
3	Company analysis – analysis factors like balance sheet, profit and loss account, net profit, EPS, PE ratio, Debt equity ratio, liquidity ratio, discount cash flow model	15
4	Fundamental vs technical analysis difference, role of fundamental analysis in wealth creation, role of portfolio management in fundamental analysis.	15

Ref. Books: Pending....

Unit	Detailed Content	Lectures
1.	<p>3.7: “Information Technology in Investment”</p> <p>Introduction: Principles of Computer science with reference to banking operations, Different approaches to mechanizations Need of Security, Security information systems, Cyber Security, Approaches to bank computerization computer in banks and Indian experiment Electronic Commerce the emerging trends consumer Oriented Electronic commerce Electronic Payment Systems Software agents -Working of Credit Cards and Debit Cards in India</p>	15

- **Recommended Books :**

1. Sony and Agarwal : Computers and Banking.
2. Ravi Kalakota& Andrew B whinston : frontiers of Electronic Commerce Addison Wesley Publications.
3. MS Office (for Windows) :- Wallace Wang, Roger Parker

SEMESTERIV -2nd Year

4.1 Financial Management

Unit I – An introduction to financial management

- Meaning
- Role, scope and objective
- Methods of financial management
- Importance
- Profit vs Value Maximization
- The Time Value of Money
- Present Value
- Future Value
- Annuity
- Returns from Bonds & Stocks

(15 Lectures)

Unit II – Capital Budgeting – Traditional and Discounted Cash Flow Techniques – Social Cost Benefit Analysis – Capital Rationing – Risk Analysis in Capital Budgeting – General Techniques – Quantitative Techniques. (15 Lectures)

Unit III – Introduction to Working Capital Management, Cash Management and Cash Budgeting, Receivables Management Analysis and Inventory Management, Dividend Theories and Dividend Policies, Regulations with respect to payment of Dividend in India (15 Lectures)

Unit -IV

Introduction to Cost of Capital, Types of Cost of capital, WACC, Introduction to Capital Structure theories , Capital Structure Planning through EBIT – EPS Analysis, Introduction to Leverages, Financial Breakeven point. (15 Lectures)

(Total: 60 Lectures)

Suggested References:

1. Financial Management : I MPandey, Vikas Publishing House.
2. Financial Management :M.Y.Khan, P.K.Jain, Tata McGraw Hill.
3. Financial Management : Ravi M Kishore, Taxman
4. Financial Management : James C Van Horne, Prentice Hall
5. Financial Management :Prassana Chandra, Prentice Hall.
6. Financial Management : Chandra HaribariranIyer: IBHL Publication

4.2: “Investment Laws”

Module 1. Security Contract Act : Important Terms, Objectives, Types of Contracts, Stock Exchange, Recognition, Refusal of Recognition, Listing of Security, Delisting, Cancellation, Bye Laws, Functioning, Appellate Authority, fines and penalties

Security Exchange Board Of India : Important Terms, Objectives, Establishment, Powers, Functions, Duties, Central Government Powers, Supersession, Membership, Meetings

15

Module 2. Disclosures and Investors Protection Guidelines : Conditions of issue, Pre and Post Issue, e – IPO, Offer Document, IPO, Bonus Issue, Preferential issue, Right Issue, Employee issue, Debt security, intermediary, operational, lock in period requirement

15

Module 3. Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI) : Objectives, Terms, Process, Registration, Acquisition, Asset Reconstruction, Takeover Management, Offences and Penalties, Authorities, Merits and Demerits

15

Module 4. : Other Laws : Foreign Exchange Management Act : Terms, Currency-Capital Account, Authorised Person, Repatriation, Powers of RBI, Appeal and Adjudication, Fines and Penalties

Arbitration and Conciliation Act : Meaning, types, Agreement, Essentials, Appointment, Removal, Powers and duties, Procedure and Awards,

Indian Depository Participant Act : Meaning, Nature, Agreement, Powers, Duties, functions, SEBI Guidelines.

15

Ref. Books: Pending....

4.3: “Marketing of Investment Products”

Unit 1:	Understanding basics marketing	(15)
	○ Marketing concept and its evolution	

	<ul style="list-style-type: none"> ○ Customer Value Creation through marketing ○ Value Delivery Process <ul style="list-style-type: none"> • Environmental Analysis – Analyzing Macroenvironment; Demographic Environment; Socio-cultural Environment, Political Environment • Consumer Analysis – Consumer Behaviour ; Consumer decision making process. • Competitor Analysis <p>Choosing the Value thru (STP)</p> <ul style="list-style-type: none"> • Segmentation • Targeting • Positioning 	
Unit 2	Designing the Marketing Program (Marketing Mix Decisions) <ul style="list-style-type: none"> • Product Decisions – Concept and features of investment products; Classification of investment products; Major product decisions; Distribution Channels (Direct and Indirect) • Pricing Decisions – Factors affecting price determination; Pricing policies and strategies; • Structuring and Marketing of Financial Products , based on client requirements . • Ethical Selling of Investment Products 	(15)
Unit 3	ANALYSING Market for Investment Products <ul style="list-style-type: none"> • Corporate Buying for Investment Products and Participants • Growing Importance of Untapped Rural Markets • Recent Trends for Marketing of Investment Products 	(15)
Unit 4	The Global Scenario <ul style="list-style-type: none"> • Marketing of Investment Products in Europe. • Marketing of Investment Products in US • Marketing of Investment Products in China 	(15)

Ref. Books: Pending....

4.4 – Financial Statement Analysis:

UNIT – 1: Preparation and presentation of Corporate Final Accounts and Reports for Trading, Manufacturing and others Companies in Accordance with Revised Schedule VI of Company Final Accounts.

The structure of financial statements

- The balance sheet
- The Profit and loss statement (revenue statements)
- The cash flow
- The annual report
- Various reports – Directors, Auditors, MD&A
- Notes to accounts, schedules

The structure of financial statements – An accounting standards approach

- Link between the financial statements and accounting standards
- Recent changes to accounting standards and their impact on financial reporting
- Envisaged changes to financial reporting – IFRS
- Financial reporting in other economies – US GAAP, IFRS **(15 Lectures)**

UNIT – 2: Analysing financial statements – introduction to the common methods

- Ratio analysis
- Common size
- Comparative
- Trend analysis
- Peer comparison
- Industry analysis

Analysis and Interpretation of the Contents of Annual Reports of Companies covering the following:

- Chairman’s Statement.
- Director’s Report Annexure.
- Corporate Governance Disclosures.
- Compliance Certificate in Corporate Governance Auditors Report.
Annexure to Auditors Reports including CARO Balance Sheet **(15**

UNIT – 3: Analysing financial statements – the uses and the users

- Need for analyzing financial statements

- Stakeholders interested in the financial statements
- Relation between analysis and interpretation.
- Steps involved in the analysis of financial statements
- Study of Accounting Policies from Annual Reports of Listed Banks
- Study of Accounting Policies from Annual Reports of Listed Insurance Companies.
- Study of Accounting Policies from Annual Reports of Listed Financial Institutions. **(15 Lectures)**

UNIT – 4: Financial Analysis and Interpretation of Final Account using Tools of Financial Management and Investment Analysis like Funds Flows & Cash Flow
(15 Lectures)

Total: (60 Lectures)

Reference Books

- Advance Accounts by Shukla and Grewal, S. Chand and Company (P) Ltd., New Delhi
- Advanced Accountancy by R.L Gupta and M. Radhaswamy, S. Chand and Company (P) Ltd., New Delhi
- Modern Accountancy by Mukherjee and Hanif, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Financial Accounting by LesileChandwichk, Pentice Hall of India Adin Bakley (P) Ltd., New Delhi
- Financial Accounting for Management by Dr. Dinesh Harsalekar, Multi-Tech. Publishing Co. Ltd., Mumbai
- Financial Accounting by P.C. Tulsian, Pearson Publications, New Delhi
- Accounting Principles by R.N. Anthony and J.S. Reece, Richard Irwin, Inc
- Financial Management: Text and Problems by M.Y. Khan and P.K. Jain, Tata McGraw Hill, New Delhi
- Financial Management: Theory and Practice by Prasanna Chandra, Tata McGraw Hill, New Delhi
- Introduction to Financial Accounting by Horngren, Pearson Publications, New Delhi
- Financial Accounting by M. Mukherjee and M. Hanif, Tata McGraw Hill Education Pvt. Ltd., New Delhi
- Financial Accounting a Managerial Perspective, Varadraj B. Bapat, MehulRaithatha, Tata McGraw Hill Education Pvt. Ltd., New Delhi
- Financial Management by I.M. Pandey, Vikas Publishing House, New Delhi

4.5: “Actuarial Analysis in Investment”

Syllabus Content:

Unit 1 (15 Lectures):

Efficient Market Hypothesis (EMH): Three forms of EMH and their consequences for investment management, the evidences for or against each form of EMH.

Utility Theory: Meaning of Utility function, Axioms underlying Utility Theory, Expected Utility Theorem, Representation of economic characteristics of consumers and investors through utility functions, Commonly used utility functions, Concept of Utility maximisation, calculations using commonly used utility functions to compare investment opportunities.

Measures of Investment Risk: Variance of risk, Downside Semi-variance of risk, Shortfall probabilities, Expected shortfall if it occurs, Value at Risk (VaR), Tail VaR.

Unit 2 (15 Lectures):

Mean-Variance Portfolio theory: Assumptions, Calculation of the expected return and risk of a portfolio of many risky assets, Benefits of Diversification.

A Company's Cost of Capital, Impacts on it by the projects undertaken. Calculation of Weighted Average Cost of Capital (WACC). Use of WACC in the calculation of Net Present Value of a Project.

Arbitrage Pricing, Derivatives: Forward and Future Contracts, their pricing; Options, The Black-Sholes Option Pricing Formula. Simple numerical calculations.

Unit 3 (15 Lectures):

Investment Markets: Money Market, Bond Market, Equity Market, Property Market, Overseas Market.

Economic Influence on Investment Markets

Other Influence on Investment Markets

Unit 4 (15 Lectures):

Valuation of Individual Investments

Relationship between returns on investment classes

Valuation of Asset classes and Portfolio

Relationship between Assets and Liabilities

Investment Strategies for Institutions

Investment Strategies for Individuals

REFERENCES:

- (1) Baxter, Martin & Andrew Rennie, *Financial calculus; An introduction to derivative pricing*, Cambridge University Press, 1996. (244 pages) ISBN: 978-0521552899.
- (2) Panjer, Harry H *et al* (ed), *Financial economics: with applications to investments, insurance and pensions*, The Actuarial Foundation, 2001. (669 pages) ISBN: 978-0938959489.
- (3) Elton, Edwin J, Martin J Gruber, Stephen J Brown and William N. Goetzmann, *Modern portfolio theory and investment analysis* (8th edition), John Wiley, 2010 (727 pages) ISBN: 978-0470505847.
- (4) Hull, John C, *Options, futures and other derivatives* (8th edition), Pearson Education, 2011 (847 pages) ISBN: 978-0273759072.

4.6: “Management of Investment Portfolio”

Unit	Detailed Content	Lectures
1	Portfolio management its meaning and scope, process of portfolio management, portfolio selection, portfolio revisions, portfolio evaluation, SEBI norms for portfolio management	15
2	Risk and return concepts, types of risk in the market, practical aspects of risk in real market scenario,	15
3	Sharpe index, Markowitz theory, single index model, use of model in real stock market	15
4	Asset allocation, understanding the risk and return of each asset class.	15

RECOMMENDED RESOURCES: Pending

4.7: “Equity Research”

Unit	Detailed Content	Lectures
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1	Fundamental analysis comprising of economic analysis, industry analysis and company analysis understanding	15
2	Valuation concepts – discounting model, capital budgeting techniques using pay back, ARR, NPV, IRR, PI methods	15
3	Operations of Indian stock market, cost of equity capital, cost of preference shares, cost of bonds, cost of loan, weighted average cost of capital,	15
4	Stock market analysis, behavioral finance, fundamental and technical analysis approach, identifying companies for portfolio selection.	15

RECOMMENDED RESOURCES: Pending

SEMESTER V - 3rd Year

5.1: “Operations in Equity Market”

Unit	Detailed Content	Lectures
1	History of Indian capital market, working of stock exchanges, clearing and settlement, pay in pay out process	15
2	Risk management in stock exchanges, membership norms and capital adequacy, demat operations	15
3	Compliance and operations, risk management from brokers perspective, margin system as risk management tool	15
4	Different types of stocks , VAR margin, settlement guarantee fund, Role of SEBI	15

RECOMMENDED RESOURCES: Pending

5.2: “FIXED INCOME ANALYSIS - I”

<u>UNIT</u>	<u>DETAILED CONTENT</u>	<u>LECTURES</u>
One	<u>BASIC CONCEPTS</u> <ul style="list-style-type: none"> • Introduction to fixed income 	15

	<ul style="list-style-type: none"> ○ What is fixed income ○ Fixed income/Debt markets ○ Fixed income/Debt instruments ○ Basic fixed income concepts 	
Two	<p><u>MARKETS AND INSTRUMENTS</u></p> <ul style="list-style-type: none"> • Debt Market segments • Indian Debt Markets <ul style="list-style-type: none"> ○ Instruments and players ○ Valuation ratios ○ Waterfall mechanism and corresponding ratios ○ Relative comparison with equity ratios • Debt Market Instruments <ul style="list-style-type: none"> ○ Types and classification ○ Features ○ Long and short term instruments 	15
Three	<p><u>PARTICIPANTS AND STRUCTURE</u></p> <ul style="list-style-type: none"> • Debt Market participants <ul style="list-style-type: none"> ○ Banks ○ Financial Institutions ○ Mutual Funds ○ RBI ○ FII ○ Insurance companies ○ Investment banks ○ Brokers and investment banks ○ Primary Dealers ○ Others • Credit Ratings <ul style="list-style-type: none"> ○ Concept ○ CRAs ○ SEBI regulations ○ IOSCO ○ Domestic Rating agencies ○ Global rating agencies ○ Process, criteria and advantages of credit rating 	15
Four	<p><u>PARTICIPANTS AND STRUCTURE</u></p> <ul style="list-style-type: none"> • Fixed income mathematics <ul style="list-style-type: none"> ○ Compounding 	15

	<ul style="list-style-type: none"> ○ Annuities ○ Present value calculations ○ • Yield curve and duration <ul style="list-style-type: none"> ○ Term structure of interest rates ○ Yield Curve ○ Theories to explain interest rate structure ○ Leading versus lagging indicators 	
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RECOMMENDED RESOURCES

FIMDA, Debt Markets Module, NSE

Fixed income handbook, Fabozzi.

Fixed-Income Analysis for the Global Financial Market: Giorgio Questa

The Indian Financial System: Markets, Institutions and Services, Bharati V Pathak

Financial Institutions and Markets, L.M. Bhole

NSE yearbook on capital markets

Advanced Fixed Income Analysis: Moorad Choudhry

Fixed Income Securities and Derivatives Handbook: Moorad Choudhry

5.3: “CREDIT RISK MANAGEMENT”

<u>UNIT</u>	<u>DETAILED CONTENT</u>	<u>LECTURES</u>
One	<p style="text-align: center;"><u>RISK MANAGEMENT INTRODUCTION</u></p> <ul style="list-style-type: none"> • Risk management an introduction <ul style="list-style-type: none"> ○ Risk management from various stakeholders perspectives ○ Various types of risks ○ Various types of risk management • Credit risk – an introduction <ul style="list-style-type: none"> ○ Fundamentals of credit risk ○ Approaches to credit risk • Bank risk management <ul style="list-style-type: none"> ○ Need for credit risk management in banks ○ Supervisory capital and role of credit risk management 	15

	<ul style="list-style-type: none"> • Types of lending <ul style="list-style-type: none"> ○ Bank lending ○ Other debt instruments 	
Two	<p style="text-align: center;"><u>RISK MANAGEMENT FRAMEWORKS</u></p> <ul style="list-style-type: none"> • Credit risk analysis frameworks – Credit scoring <ul style="list-style-type: none"> ○ Credit scoring basics ○ Credit bureaus ○ Limitations of Credit scoring • Credit risk analysis frameworks – Credit rating <ul style="list-style-type: none"> ○ Rating systems ○ Rating agencies ○ Rating criteria and methodology ○ Rating process ○ What credit rating does not cover • Credit risk analysis frameworks – Internal rating/ underwriting <ul style="list-style-type: none"> ○ A lending approach – the five Cs ○ Internal risk modeling ○ Building IRB models ○ Credit bureaus ○ Limitations of Credit scoring 	15
Three	<p style="text-align: center;"><u>RISK MANAGEMENT VARIOUS RISKS</u></p> <ul style="list-style-type: none"> • Business risks <ul style="list-style-type: none"> ○ Industry risks ○ Economic risk ○ Firm specific risks • Financial Risks <ul style="list-style-type: none"> ○ Fin St analysis ○ Ratio analysis ○ Benchmarking ○ Industry specific overrides • Transaction risk <ul style="list-style-type: none"> ○ Loan agreements ○ Covenants ○ Monitoring transaction risks ○ Mitigating covenant risks 	15
Four	<u>UNIT 4 – RISK MANAGEMENT</u>	15

	<ul style="list-style-type: none"> • Credit risk Management <ul style="list-style-type: none"> ○ Wholesale lending credit risk management ○ Retail lending credit risk management ○ Investment related credit risk mangement • Credit risk and BASEL frameworks <ul style="list-style-type: none"> ○ Basel 2 and Basel 3 ○ Credit risk treatment under both B2 and B3 	
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RECOMMENDEDRSOURCES

Credit Risk Management, Andrew Flight

Credit Risk Management: Basic Concepts: Tony Von Gestel

Risk Assessment and Risk Management Ronald E. Hester

Quantitative Risk Management: Concepts, Techniques, and Tools, Alexander J. McNeil

The Handbook of Credit Risk Management:Sylvain Bouteille

Credit Risk Management: Hong Kong Institute Of Bankers

Managing Credit Risk: The Next Great Financial Challenge JohnCaouette

5.4: “Introduction to Derivatives”

Unit	Detailed Content	Lectures
1	Derivatives market its history and working, participants in derivativs markets, hedging, speculation and arbitration.	15
2	Products in derivatives market, forward, futures, options and swaps and their working with examples.	15
3	Risk management using derivatives, using future and options for strategy formation	15
4	Strategy formulation in different market scenario, margins as risk management tool	15

RECOMMENDED RESOURCES: Pending

5.5. Alternative Investments

Unit	Detailed Topics	No. Of Lectures
1.	<p>Introduction Alternative Investments : An Overview Role Of Alternative Investments in Strategic Asset Allocation Trends in Asset Allocation Alternative Investments and due diligence</p> <p>Real Estate REIT's and the Private Real Estate Market Commercial Real Estate Real Estate Investment trusts Mortgaged Backed Securities Mezzanine Debt and Preferred Equity in Real estate Real Estate Appraisal and Valuation Performance of Real Estate Portfolios</p>	15
2.	<p>Private Equity Venture Capital, Mezzanine Capital, Buyout Funds, Distressed Debt Investing, Performance of Private Equity, Private Equity : Risk and Return profile</p> <p>Commodities Investing in Commodities, performance of Commodities, Commodity Futures and strategic asset allocation, Managed Futures: Markets, Investment Characteristics and role in a portfolio</p>	15
3.	<p>Hedge Funds Investing in Hedge Funds, Performance of Hedge Funds, Hedge Funds and Risk Management, Hedge Funds and the Financial Crisis, Hedge Funds: Replication and Nonlinearities, Fund of Funds</p> <p>Private Equity Introduction to Private Equity Equity types of Private Equity Debt types of Private Equity</p>	15
4.	<p>Structured Products Credit Risk and the Structuring of Cash Flows Credit Derivatives Collateralized Debt Obligations</p> <p>Risk Management and Portfolio Management Lessons from Hedge Fund Failures Risk Analysis</p>	15

	Due Diligence of Fund Managers Regression, Multivariate and Nonlinear Methods Portfolio Optimization and Risk Parity Portfolio Management, Alpha, and Beta	
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Suggested Books –

<u>Sr. NO</u>	<u>Title of the Book</u>	<u>Name of Author/s</u>	<u>Publisher</u>
1)	Alternative Investments: Instruments, Performance, Benchmarks and Strategies	H. Kent Baker Greg Filbeck	John Wiley & Sons 1 edition (March 2013)
2)	The Only Guide to Alternative Investments you will Ever Need; The Good, The Flawed, The Bad and the Ugly	Larry E. Swedroe Jared Kizer	Bloomberg Press (November 1, 2008)
3)	The little Book of Alternative Investments Reaping rewards by daring to be different	Ben Stein Phil Demuth	John Wiley and Sons 1 edition (March 29,2011)
4)	<i>CAIA Level I: An Introduction to Core Topics in Alternative Investments</i>	CAIA Association Mark J. P. Anson Phd CFA Donald R Chambers Keith H Black HosseinKazemi	John Wiley & Sons 2 nd Edition (May 2012)
5)	Standards of Practice Handbook	CFA Institute	CFA Institute (June 4, 2010)

5.6: “Technical Analysis of Investments”

Unit	Detailed Content	Lectures

1	Meaning and scope of technical analysis, understanding trading psychology, use of technical analysis	15
2	Understanding candle stick patterns, chart analysis, analyzing price and volume, chart patterns analysis	15
3	Understanding indicators like RSI, Stochastic, MACD etc, use of indicators for creating calls	15
4	Analyzing technical analysis vs fundamental analysis,	15

RECOMMENDED RESOURCES: Pending

SEMESTER VI - 3rd Year

6.1:“Operations in Currency and Commodity Markets”

Unit	Detailed Content	Lectures
1	Commodity markets its history, working of commodity exchanges, clearing and settlement, pay in pay out	15
2	Types of asset class in commodity, Bullion, metals, energy, agriculture as asset class in commodity markets,	15
3	Analyzing factors in commodity markets, demand supply scenario, risk management in commodity operations	15
4	Currency markets and its role in currency appreciation, depreciation , central bank role in currency markets, risk management in currency markets.	15

RECOMMENDED RESOURCES: Pending

6.2:“FIXED INCOME ANALYSIS II”

<u>UNIT</u>	<u>DETAILED CONTENT</u>	<u>LECTURES</u>
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One	<p><u>UNIT 1 – BASIC CONCEPTS AND FIXED INCOME MATHEMATICS</u></p> <ul style="list-style-type: none"> • Introduction to fixed income pricing <ul style="list-style-type: none"> ○ Yield curve ○ Bond mathematics • Duration and Convexity <ul style="list-style-type: none"> ○ Duration – including modified and Maculay Duration ○ Convexity 	15
Two	<p><u>UNIT 2 – VALUATION</u></p> <ul style="list-style-type: none"> • Valuation of simple debt instruments <ul style="list-style-type: none"> ○ Valuation of bonds ○ Bond prices and interest rates • Valuation of complex debt instruments <ul style="list-style-type: none"> ○ Valuation of convertible bonds ○ Valuation of options ○ Black Scholes option pricing models ○ Introduction to the Greeks • Exotic debt instruments <ul style="list-style-type: none"> ○ MBS, CDS ○ Principal protected ELD ○ CDO 	15
Three	<p><u>UNIT 3 – TRACKING FIXED INCOME MARKETS</u></p> <ul style="list-style-type: none"> • Tracking bond markets • The bond traders arsenal of economic indicators <ul style="list-style-type: none"> ○ Inflation ○ Monetary policy ○ Government deficits ○ Currency valuation • The subprime crisis and the role of debt markets in the crisis – Then and now 	15
Four	<p><u>UNIT 4 – PORTFOLIO MANAGEMENT – FIXED INCOME</u></p> <ul style="list-style-type: none"> • Bond portfolio management strategies <ul style="list-style-type: none"> ○ What is a bond portfolio strategies ○ Types of bond management strategy 	15

	<ul style="list-style-type: none"> ○ Active, passive, neutral strategies 	
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RECOMMENDED RESOURCES

FIMDA, Debt Markets Module, NSE

Fixed income handbook, Fabozzi.

Fixed-Income Analysis for the Global Financial Market: Giorgio Questa

The Indian Financial System: Markets, Institutions and Services, Bharati V Pathak

Financial Institutions and Markets, L.M. Bhole

NSE yearbook on capital markets

Advanced Fixed Income Analysis: Moorad Choudhry

Fixed Income Securities and Derivatives Handbook: Moorad Choudhry

6.3: “Risk Management of Market Risk and Operational Risk”

<u>UNIT</u>	<u>DETAILED CONTENT</u>	<u>LECTURES</u>
One	<p><u>UNIT 1 – RISK MANAGEMENT INTRODUCTION</u></p> <ul style="list-style-type: none"> • Operations Risk management an introduction <ul style="list-style-type: none"> ○ Meaning of operation risk ○ Approaches to operation risk management ○ Introduction to types of operations risk management techniques • Market Risk Management an introduction <ul style="list-style-type: none"> ○ Meaning of Market risk ○ Approaches to market risk management ○ Introduction to types of market risk management techniques 	15
Two	<p><u>UNIT 2 – RISK MANAGEMENT VARIOUS RISKS</u></p> <ul style="list-style-type: none"> • Operational failures <ul style="list-style-type: none"> ○ Various types of operations risk failures ○ Impact of operations risk failures ○ Case study 	15

	<ul style="list-style-type: none"> • Need for operational risk management <ul style="list-style-type: none"> ○ Types of operational risks – operations, legal, reputational, accounting and liquidity ○ Recurring operating losses ○ Greater complexity in financial system and financial instrument ○ Integrated risk management • Market failures <ul style="list-style-type: none"> ○ Various types of market risk failures ○ Impact of market risk failures ○ Case study 	
Three	<p style="text-align: center;"><u>UNIT 3 – RISK MANAGEMENT TOOLS</u></p> <ul style="list-style-type: none"> • Various Market Risk Management Tools • Value at risk (VAR) <ul style="list-style-type: none"> ○ VAR – meaning (concept) ○ Pre VAR market risk management ○ Post VAR market risk management 	15
Four	<p style="text-align: center;"><u>UNIT 4 – RISK MANAGEMENT</u></p> <ul style="list-style-type: none"> • Market risk management <ul style="list-style-type: none"> ○ VAR modeling ○ Role of CDS ○ Hedging as a tool for market risk management ○ Market risk reserves ○ Spot and forward risks ○ Managing exotic option risks • Enterprise wide risk management <ul style="list-style-type: none"> ○ Role of data and analytics in risk management ○ Internal operations risk management and external operations risk management ○ Role of technology ○ Operational risk governance – culture, policies and implementation ○ Market risk governance – culture, policies and implementation ○ Risk audits ○ Integrated risk management approach (Credit + operations + market) 	15

	<ul style="list-style-type: none"> • Operational and market risk and BASEL frameworks <ul style="list-style-type: none"> ○ Basel 2 and Basel 3 ○ operational risk treatment under both B2 and B3 ○ Market risk treatment under both B2 and B3 	
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RECOMMENDED RESOURCES

Managing Operational Risk in Financial Markets, Amanat Hussain

Operational risk Measuring and Modelling: Jack L King

Financial Risk Management: A Practitioner's Guide: Steve L. Allen

Credit Risk Management: Hong Kong Institute Of Bankers

Managing Credit Risk: The Next Great Financial Challenge JohnCaouette

6.4:“Valuation of Derivatives”

Unit	Detailed Content	Lectures
1	Cost of carry model, analyzing the pricing of futures and its implication, practical aspects in pricing model	15
2	Black and Scholes model for options valuation, solving sums for Black and Scholes model.	15
3	Binomial model of valuation, risk and return concepts, options on stock indices	15
4	General approach to pricing of derivatives contract, commodity derivatives, currency derivatives, overview of derivatives markets in India.	15

RECOMMENDED RESOURCES: Pending

6.5:“International Investment Management” CFP Ashok Mansukhani– 9833966459

6.6: “Ethics in Investment Markets”

<u>Unit 1:</u>	<u>Ethics and Investment Professionalism</u> <ul style="list-style-type: none"> ● Definition of Ethical Investing ● Insider Trading ● Need for ethics in Investment Industry ● Social Obligation of Investment Industry towards, clients, prospective clients, employees. ● Code of Ethics- standards of practice based on code of Ethics. ● Consequences of unethical / unprofessional conduct ● Framework for making Ethical Investment Decisions 	(15)
<u>Unit 2</u>	<u>Standards of Professional Conduct</u> <ul style="list-style-type: none"> ● Knowledge of the Law ● Fit and Proper Person as per SEBI- ACT ● Independence And Objectivity ● Misrepresentation and Misconduct ● Material Non – Public Information ● Prohibition of Insider Trading Regulations – SEBI ● Market Manipulation ● Loyalty, Prudence, Care ● Fair Dealing ● Suitability ● Performance Presentation ● Preservation of Confidentiality ● Consequences of Unethical Practices – Gravity of Punishment for Trader and Buyer 1) Relevant Provisions of Company ‘s Act related to CC₂. ● Listing Agreement of SEBI with respect to Corporate Governance. 	(15)
<u>Unit 3</u>	Corporate GOVERNANCE AND INVESTMENT POLICY <ul style="list-style-type: none"> ● Genesis, Committee Recommendations – Narayan Murthy , K.M Birla ● Recommendations on Corporate Governance, ● Effective Board of Directors and its role. ● Independent Directors and Audit Committee, Remuneration Committee, Nomination Committee. ● Evaluation of effectiveness of Internal Control-Management Accounting applications and Directors’ Responsibility Statement; ● Relevance of Risk Evaluation and Risk management; ● Evaluation of key financial decisions and disclosures; Management Audit for investors’ protection in the context of Corporate Governance, ● Corporate Governance Norms as prescribed by SEBI 	(15)
<u>Unit 4</u>	Corporate Governance Mechanisms and Controls <ul style="list-style-type: none"> ● Internal Corporate Governance Controls 	(15)

	<ul style="list-style-type: none">● External Corporate Governance Controls● Debates in Corporate Governance● Corporate Governance Models(Singapore and Honkong● Introduction to General Investment Performance Standards (GIPS)	
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RECOMMENDED RESOURCES: Pending