



**DR. D Y PATIL VIDYAPEETH**  
PUNE – 411018

**CENTRE FOR ONLINE LEARNING**  
PIMPRI, PUNE

**SYLLABUS FOR**  
**MASTER OF BUSINESS**  
**ADMINISTRATION**  
**(M.B.A)**

**Academic Year 2025**

### **Semester-III Financial Management Specialization**

<b>Semester</b>	3	<b>Course Credits</b>	4	<b>Specialization</b>	Financial Management
<b>Course Code</b>	OMBF-301			<b>Type</b>	Specialization Course
<b>Course Title</b>	Capital & Financial Markets (CFM)				

#### **Course Description:**

This course will be useful for students to know about the concept of financial market and its use in an organization. A financial market brings buyers and sellers together to trade in financial assets. Money markets are used by the government and corporate entities to borrow and lend in the short-term. Capital markets are used for long-term assets, which have maturities of greater than one year.

#### **Course Objectives:**

- 1) To make students familiar with the analytical tools used for financial analysis;
- 2) To understand the accounting aspects;
- 3) To get acquainted with the concept of the IFRS;
- 4) To have knowledge of convergence of Indian Accounting Standards with the IFRS; and
- 5) To know the comparative analysis of Indian GAAP and the IFRS.

#### **Course Outline:**

**Unit 1: Financial Institutions:** Different Groups of Institutions, Reserve Bank of India, Commercial Banks, Development Financial Institutions, Insurance Institutions, and Other Financial Institutions.

**Unit 2: Securities and Exchange Board of India:** Overview of the Securities and Exchange Board of India Act, 1992, Powers and Functions of SEBI, Investigations by SEBI, Registration Certificate by SEBI, Penalties and Adjudication, Securities Appellate Tribunals, and Private Placement to Qualified Institutional Buyers.

**Unit 3: Non-Banking Financial Companies:** Functions of Non-Banking Financial Companies, Role of Different Non-Banking Financial Companies, Regulations Regarding Non-Banking Financial Companies, Causes for Failure of NBFCs.

**Unit 4: Venture Capital:** Functions of Venture Capital, Modes of Finance by Venture Capital, of SEBI in Venture Capital, and Venture Capital Scenario in India.

**Unit 5: Stock Exchanges in India:** Functions of Stock Exchange, Bombay Stock Exchange, National Stock Exchange, Trading in Stock Exchange, and Depositories Services.

**Unit 6: Stock Markets Indicators and Interest Rates:** Objectives of Indices, Types of Indices, Sensex, Nifty, Interest Rates.

**Unit 7: Capital Markets:** Functions of Capital Market, Players in Capital Market, Role of SEBI in Capital Market, Investment Instruments in Capital Market, Modes of Raising Finance in Capital Market.

**Unit 8: Money Markets:** Functions of Money Market, Role of RBI in Money Market, Players in Money Market, and Instruments Used in Money Market.

**Unit 9: Merchant Banking:** Evolution of Merchant Banking, Role of Merchant Banker in Capital Market, SEBI Guidelines Regarding Merchant Banker.

**Unit 10: Mutual Funds:** The Evolution of Mutual Funds, The Concept of Mutual Fund, Types of Mutual Fund Schemes, Net Asset Value, Mutual Funds Functioning in India.

**Unit 11: Trading In Derivatives:** Intra-day Trading, Trading in Futures, Trading in Options, Risk in Derivatives Trading.

**Unit 12: Credit Rating:** Need for Credit Rating, Parameters of Credit Rating, Credit Rating Agencies, Credit Rating Symbols, Country Risk Rating.

### **Course Outcome:**

On successful completion of the course the learner will be able to:

CO#	Cognitive Abilities	Outcomes
CO301.1	<b>Remember</b>	Learn the tools for financial analysis.
CO301.2	<b>Understand</b>	Enhance comparative analysis of Indian GAAP and the IFRS
CO301.3	<b>Analyse</b>	Compare accounting aspects with financial markets.
CO301.4	<b>Apply</b>	Learn Indian Accounting Standards to implement them in corporate life.

### **Suggested Reading:**

1. Derivatives Market: Robert LMcDonald.
2. How to Save Income Tax Through Tax Planning by R N Lakhota and SubhasLakhota

Semester	3	Course Credits	4	Specialization	Financial Management
Course Code	OMBF-302			Type	Specialization Course
Course Title	Financial Institutions and Banking (FIB)				

### **Course Description:**

This course is structured to help students master the established management principles and to confront the perplexing issues of risk, regulation, technology, and competition, that bankers and other financial-service managers see as their greatest challenges for the present and future. Students will be exposed to key trends and changes in the financial services sector. In addition, student will learn about various career opportunities in the banking and financial institution field. With this relevant information, students will be able to grasp the rapid changes that are happening in this course area and the real world. Content and discussion will cover both domestic and international bankingactivities.

### **Course Objectives:**

- 1) To be able to familiarize the students with the concepts of banking and financial institutions;
- 2) To be able to understand functions of financialinstitutions;
- 3) To be able to describe components of the financial system;and
- 4) To be able to understand the concept, features, importance and problems faced by co-operativebanks.

### **Course Outline:**

**Unit 1: Introduction to Indian Financial System:** Financial system: Significance and Definition, Functions of the Financial System, Structure of the Financial System, Indian Financial System, Major Issues in the Indian Financial System: Narsimham Committee Report (1991)

**Unit 2: Introduction to Banking Sector in India:** Meaning and Definition of Banking, Functions of Bank, History of Banking, Classifications of Banks, Reforms in Banking Sector, E- Banking.

**Unit 3: Reserve Bank of India:** History of RBI, Role and Functions of Reserve Bank in India, Structure of RBI, RBI weapons of Control, Departments of RBI.

**Unit 4: Co-Operative Banking in India:** Meaning and Definition of Co-Operative Banks, Structure and Features of Co-Operative Banks, History of Co-operative Banks in India, Types of Co-Operative Banks, Problems of Co-Operative Banks.

**Unit 5: Commercial Banking:** Meaning and Evolution of Commercial Banks, Functions and Role of Commercial Bank, Types of Commercial Banks, Commercial Banking System, Agency and General Utility Services Provided by Modern Commercial Banks.

**Unit 6: Banking Systems:** Unit Banking and Branch Banking, Deposit Banking, Mixed Banking and Industrial Banking, Group, Chain and Correspondent Banking Systems.

**Unit 7: Banking Regulation Act 1949:** Need for Banking Act in India, History of Banking Legislation in India, Objectives of the Banking Regulation Act, 1949, Major Provisions of the Act, Defects in the Indian Banking Legislation.

**Unit 8: Central Banking:** Meaning and Definition, Evolution of Central Banks, Functions of Central Banks, Role of Central bank in a Developing Economy, Instruments of Monetary Control.

**Unit 9: Retail Banking:** Meaning and Definition of Retail Banking, Factors affecting Growth of Retail Banking, Advantages and Disadvantages of Retail Banking, Challenges to Retail Banking in India, Strategies for Increasing Retail Banking Business, Emerging Issues in Retail Banking.

**Unit 10: Banker and Customer Relationship:** Meaning and Definition of Banker and Customer, General Relationship between Banker and Customer, Banker as Agent and Banker as Trustee, Types of Customers, Services to Different Customer Groups.

**Unit 11: Non-Banking Financial Companies:** Meaning and Definition of Non-Banking Financial Companies, Classification of Non-Banking Financial Companies, Functions of Non-Banking Financial Companies, Salient Features of Non-Banking Financial Companies, Regulations of Non-Banking Financial Companies.

**Unit 12: Specialized Financial Institutions:** Need and Importance of Specialized Financial Institutions (SFI), Types of Specialized Financial Institutions, Industrial Finance Corporations of India (I.F.C.I.), State Financial Corporations (SFCs), Industrial Development Bank of India (IDBI), Unit Trust of India (U.T.I), Industrial Credit and Investment Corporation of India (ICICI)

**Unit 13: Investment Institutions and Financial Services:** Financial Service, Merchant Banking, Lease Financing, Merchant Banking, Housing Finance, Venture Capital, Insurance, Mutual Funds, Factoring.

**Unit 14: Financial Markets and Instruments in Money Market:** Financial Markets, Capital Markets, Money Market, Distinction Between Capital and Money Market, Stock Exchanges.

**Unit 15: International Financial Institutions:** History of International Financial Institution, Types of International Financial Institution, World Bank, International Monetary Fund (IMF.)

### **Course Outcome:**

On successful completion of the course the learner will be able to:

CO#	Cognitive Abilities	Outcomes
CO302.1	<b>Remember</b>	Learn various functions of financial institutions.
CO302.2	<b>Understand</b>	Understand the basic concepts of banking and financial institutions.
CO302.3	<b>Analyse</b>	Exhibit the components of financial system.
CO302.4	<b>Apply</b>	Differentiate problems faced by co-operative banks and financial institutions.

### **Suggested Reading:**

1. RuddarDatt& K.P. M.Sundharam, Indian Economy, 40thRevised Edition, S. Chand & Co. Ltd.
2. H.R. Machiraju, Merchant banking, 3rd Edition, New Age InternationalPublishers
3. Textbook of Banking and Finance by N.K.Sharma
4. Commercial Banking in India: A Beginners Module developed by Mr. AbhijeetRoy, International Management Institute, NewDelhi
5. H.R. Machiraju, Merchant banking, 3<sup>rd</sup>Edition, New Age International Publishers
6. M.Y. Khan, Indian Financial System, 4th Edition, TataMcGraw-Hill

Semester	3	<b>Course Credits</b>	<b>4</b>	Specialization	Financial Management
Course Code	OMBF-303			Type	Specialization Course
Course Title	Taxation (Tax)				

### **Course Description:**

This course introduces students to the accounting of income taxes with a particular focus on analyzing the differences between accounting and tax treatments, computing tax provisions, and disclosing tax information in corporate financial statements. The course also provides exposure to both internal and external uses of tax accounting disclosures. In doing so, the course builds a solid grounding in the preparation of accounting information and helps students gain an appreciation for the role of financial accounting in tax planning and compliance decisions.

### **Course Objectives:**

- 1) To understand the basic concepts of the Income Tax Act, 1961.
- 2) To calculate gross total income and tax liability of an individual.
- 3) To be acquainted with the online filling of various forms and returns.
- 4) To understand the basic concepts in various Indirect Tax Acts.
- 5) To understand procedural part of indirect taxes.

### **Course Outline:**

**Unit 1: Introduction to Taxation Structure in India:** Taxation Structure in India, Powers of Various Governments in Relation to Collection of Taxes, Introduction to Income Tax Act, 1961.

**Unit 2: Income from Salary:** Meaning of Salary, Different Forms of Salary and Their Taxability, Allowance and Their Taxability, Exemptions for Various Allowances under Section 10, Perquisites and Their Valuation, Deductions from Gross Salary u/s.16, Numerical Problems.

**Unit 3: Income from House Property:** Basis of Chargeability, Computation of Annual Value, Deductions u/s.23, Deductions u/s.24, Numerical Problems.

**Unit 4: Profits and Gains from Business and Profession:** Computation of Profits and Gains, Expenses Expressly Allowed, Expenses Expressly Disallowed, Profits Chargeable under Profits and Gains, Numerical Problems on Business and Profession, Numerical Problems on Depreciation.

**Unit 5: Income from Capital Gains:** Chargeability of Capital Gains, Short-Term and Long-Term Capital

Gains, Deductions Available for Long-Term Capital Gains.

**Unit 6: Income from Other Sources:** Chargeability of Income Under Other Sources, Receipts Without Consideration (Gifts.)

**Unit 7: Computation of Total Taxable Income of an Individual:** Deduction from Gross Total Income, Relief under Section 89, Rebate of Income Tax under Section 87A, Computation of Total Income, Numerical Problems on Computation of Total Income.

**Unit 8: Income Tax Payment and Assessment:** Tax Calculation and Modes of Tax Payment, Filing of Income Tax Return, Refund of Tax, Interest Payable and Interest Receivable.

**Unit 9: Central Excise:** Levy of Excise Duty, Principles of classification, Valuation of Goods, Registration Under Central Excise, Procedure Relating to clearance of Good, Provisions Relating to Small Scale Industries, Provisions relating to Payment of Duty, Penalties, Special Audit, Prosecution.

**Unit 10: Service Tax:** Rates of Service Tax, General exemptions, Classification of Taxable Services, Valuation of Taxable Services, Valuation Rules, Issue of Bill for Service Tax, Time Limit for Payment of Service Tax, Exemption Limit, Registration Under Service Tax, Payment of Service Tax, Filing of Service Tax Returns, Interest and Penalties, Refunds, Exemption from Service Tax, Procedure for Claiming Refund, Exemption to Exporters, Procedure for Claiming Exemption, and Export of Services.

**Unit 11: Maharashtra Value Added Tax Act, 2002:** Important Definitions, Registration Procedure under MVAT Act, Levy of VAT, Input Tax Credit, Invoicing, Tax Liability on Works Contracts, Filing of Returns, Tax Liability, Refund, Interest, and Penalty, and Maintenance of Records.

**Unit 12: Central Sales Tax Act, 1956:** Applicability of CST Act, Rates of Taxes, Registration and Other Provisions.

**Unit 13: Customs Act, 1962:** Levy of Customs Duty, Types of Customs Duties, Procedure for Import and Export, Valuation of Goods, Assessment of Customs Duty, Demand, Recovery and Refund of duty, Customs Duty Drawback, and Penalties.

### **Course Outcome:**

On successful completion of the course the learner will be able to:

CO#	Cognitive Abilities	Outcomes
CO303.1	<b>Remember</b>	Learn the basic concepts in income tax.

CO303.2	<b>Understand</b>	Understand the basic aspects of filling a form and returns.
CO303.3	<b>Analyse</b>	Analyse the income and liability of an individual to calculate.
CO303.4	<b>Evaluate</b>	Differentiate between Direct and Indirect Tax

**Suggested Reading:**

1. K. Lasser's 1001 Deductions And Tax Breaks: Your Complete Guide to Everything Deductible by Barbara Weltman
2. Fundamentals of Corporate Taxation (University Casebook Series) By Stephen Schwartz & Daniel Lathrop
3. Essentials of Federal Income Taxation for Individuals and Business By Linda M. Johnson

Semester	3	Course Credits	4	Specialization	Financial Management
Course Code	OMBF-304			Type	Specialization Course
Course Title	International Finance Management (IFM)				

### **Course Description:**

The goal of this course is to provide students with a deep understanding of financial management issues in a global setting. The course aims to help students develop analytical tools that incorporate key international considerations into fundamental financial decisions. The cases provide opportunities to build the skills needed to create and capture value across borders.

### **Course Objectives:**

- 1) To develop capabilities, skills, and knowledge for making sound financial decisions;
- 2) To develop students on “how to run their own MNC and write a feasibility report”; and
- 3) To be able to solve simple cases.

### **Course Outline:**

**Unit 1: International Financial Management: An Introduction:** Introduction, Multinational Corporation (MNC), Steps in Internationalization, International Financial Management.

**Unit 2: International Economics:** Introduction, International Financial Architecture, Origin of Developing Countries Debt Crisis, The East Asian Crisis (1997), Financial Flows to Developing Countries, International Trade Theories, Economic integration, Tariff and Non-Tariff Barriers to Trade.

**Unit 3: International Monetary System:** Introduction, Exchange Rate Arrangement, IMF and International Liquidity.

**Unit 4: International Financial Flow:** Introduction, Forms of International Financial Flows, Structure of Balance of Payments, Equilibrium, Disequilibrium and Adjustment, India's Balance of Payments During the Period of Economic Reform.

**Unit 5: Foreign Exchange Market:** Introduction, Spot Exchange Market, Participants in the Spot Market, Exchange Rate Quotations, Arbitrage, Forward Rate and Forward Market.

**Unit 6: Parity Conditions in International Finance and Currency Forecasting:** Introduction, Purchasing Power Parity Relationship, Interest Rate Parity Relationship, Exchange Rate and Foreign

Exchange Reserves, Exchange Rate and Balance of Payments (BOP), Exchange Rate and Technical Analysis.

**Unit 7: Currency Futures, Options and Swaps:** Introduction, Currency Futures, Currency Options, Important Terms relating to Options, Dealing in Currency Options, Put-Call Parity Relationship, and Currency Swaps.

**Unit 8 – Management of Accounting and Exchange Exposure:** Introduction, Different Types of Exchange Rate Exposures, Transaction Exposure, Translation Exposure, Economic Exposure, Exchange Risk Management, Management of Transaction Exposure, Management of Translation Exposure, Management of Economic Exposure.

**Unit 9: Foreign Exchange Regulations and Taxation Issues:** Introduction, Types of Taxes, Tax Heavens, International Tax Management Strategy, The Modes of Double Taxation Relief, Indian Taxation Scenario, FEMA: An Introduction, Broad Scheme of FEMA, Important Features of FEMA.

**Unit 10: Raising Funds From International Market:** Introduction, Euro Issue, Depository Receipts (DRs), Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), Foreign Currency Option, Other International Instruments, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), External Commercial Borrowings (ECBs), Advantages and Disadvantages of Overseas Financial Markets.

**Unit 11: Financing Foreign Trade:** Introduction, Types of Export Credit, Pre-shipment Export Credit, Post-shipment Export Credit, Types of Letters of Credit, Export Credit in Foreign Currencies, Refinance from Reserve Bank of India, Role of Export Import Bank of India, Role of Export Credit Guarantee Corporation.

**Unit 12: Cost of Capital for MNCs:** Introduction, Cost of Capital for MNCs vis-a-vis Domestic Firms, Cost of Capital Across Countries, Determining Cut-Off rate for Foreign Projects Appraisal.

**Unit 13: Capital Budgeting for MNC's:** Introduction, Fundamentals of Evaluating Foreign Projects, Issues in Foreign Investment Analysis, Risk Analysis in International Investment Decision.

**Unit 14: Working Capital Management for Domestics:** Introduction, Working Capital Management in Domestic and Multinational Enterprises, Intra Corporate Transfer of Funds, Transfer Pricing, Management of Blocked Funds, Multinational Cash Management, Multinational Receivables Management, Multinational Inventory Management.

**Unit 15: Foreign Direct Investment:** Introduction, Global Trends in FDI, Factors Motivating FDI, FDI

and Some Subsequent Decisions, FDI and Host Government View, FOI and Taxation Issues.

**Unit 16: International Portfolio Investments:** Introduction, Benefits of International Investing, International Diversification, Barriers to International Diversification, Vehicles for Overcoming Capital Flow Barriers, Asset Allocation Policy and Management Style, Portfolio Hedging Strategies

### **Course Outcome:**

On successful completion of the course the learner will be able to:

CO#	Cognitive Abilities	Outcomes
CO304.1	<b>Remember</b>	Demonstrate the understanding of international financial theory and applications.
CO304.2	<b>Analyse</b>	Develop a frame of reference through which learners can identify, evaluate, and solve problems pertaining to international financial with or without complete information.
CO304.3	<b>Apply</b>	Demonstrate communication and written skills.
CO304.4	<b>Evaluate</b>	Develop critical and analytical skills and the ability to work independently.

### **Suggested Reading:**

1. Financial ACCT with coursemate-Godwin/Aderman/Sanyal-CengageLearning
2. Financial Management by Jonathan Berk, Peter DeMarzo and Ashok Thamby (Pearson Publication)
3. Financial Management by Khan and Jain (TATA McGraw-Hill)
4. Financial Management by I.M.Pandey (Vikas Publication)
5. Financial Management Principle and Practices by S. Sudarsana Reddy (Himalaya Publication)
6. Financial Management by Prasanna Chandra, TMH, 7th Edition

Semester	3	Course Credits	4	Specialization	Financial Management
Course Code	OMBF-305			Type	Specialization Course
Course Title	Advanced Financial Management (AFM)				

### **Course Description:**

This course provides an in-depth analysis of financial management in corporations with emphasis on decision making. Working capital management, short-term and long-term financing, mergers, business failures, and reorganizations are considered in-depth with an extension of the valuation concepts presented in the basic financial management course.

### **Course Objectives:**

- 1) To provide expert knowledge on setting financial objectives and goals, managing financial resources, and financial risk management thorough the understanding of investment portfolios and financial instruments.
- 2) Evaluate the role of agents and instruments in financialmarkets.
- 3) Interpret the relevance of financialinstitutions.
- 4) Analyse the degree of risk for its effective management; and
- 5) Advise on Investmentopportunities.

### **Course Outline:**

**Unit 1: Financial Environment:** Introduction to Financial Environment, Financial Institutions, Financial Markets, Regulatory Environment, Global Financial Environment.

**Unit 2: Asset Liability Management:** Introduction to Asset Liability Management, Meaning and Scope of Asset liability Management, Management of Liabilities, Management of Assets.

**Unit 3: Analytical tools for Advanced Financial Management:** Introduction to Analytical tools, Types of Financial Decisions, Comparative Statement Analysis, Trends Analysis, Common size statements, Simulation analysis, Sensitivity analysis, ABC analysis, GAP analysis, Variance Analysis, DuPont analysis, Economic Value Added (EVA), Market Value Added (MVA).

**Unit 4: Preparation of projected financial Statements:** Introduction, Basics about Preparation of projected financial Statements, Preparation of projected Profit and Loss statements, Preparation of projected Balance Sheets, Preparation of projected Cash Flow statements, Preparation of projected Funds Flow statements, Assessing viability of the business.

**Unit 5: Stock Market Relationship Management:** Introduction, Stock Market, Trading in Stocks, Trading in Derivatives, Monitoring Market deals in shares.

**Unit 6: Capital Issue Management:** Introduction to Capital Issue Management, Raising of Equity Capital, Types of Issues, Issue Management.

**Unit 7: Surplus Funds Management:** Introduction to Management of Surplus funds, Investment criteria, Investment avenues, Taxation planning in investments.

**Unit 8: Enterprise Valuations:** Introduction to Concept of Enterprise Valuation, Definition and Meaning of Enterprise Value, Different Concepts of Value, Major approaches to valuation of business, Methods of Enterprise Valuation, Valuation of Goodwill.

**Unit 9: Corporate Restructuring:** Explain the meaning of Corporate Restructuring, State the Reasons for restructuring, Explain the meaning of Stability Strategies, Explain the meaning of Growth Strategies, Explain the meaning of Diversification Strategies, Explain the meaning of Concentration strategies, Explain the meaning of Retrenchment Strategies, Explain the meaning of Mergers and Acquisition Strategies, Explain the meaning of Takeover Strategies, Explain the meaning of Benefits of mergers and Acquisition, Explain the meaning of Joint Ventures, Explain the meaning of Collocation, Explain the meaning of Co-opetition, Explain the meaning of Licensing Arrangement, Explain the meaning of Value-Chain Partnership, Explain the meaning of Mutual Service Consortia, Explain the meaning of Combination Strategies.

**Unit 10: Capital Structure:** Explain the Theories of Capitalisation, Explain the meaning, causes and remedies of over Capitalisation, Explain the meaning, causes and remedies of under Capitalisation, Explain the meaning of Capital Structure, State the important principles of Capital Structure, State the objects of the Capital Structure Planning, State the different Theories of Capital Structure, Explain the meaning of the Cost of Capital, Describe the meaning of Cost of Equity, Explain the meaning of Cost of Debt, Explain the meaning of Cost of Preference Shares, Explain the meaning of the Weighted Average Cost of Capital.

**Unit 11: Capital Restructuring:** Explain the meaning of Capital Restructuring, Explain the reasons for Capital Restructuring, Explain the factors affecting Capital Restructuring, State the advantages of Capital Restructuring, State the methods of capital restructuring, Explain the meaning of Share Splitting, Explain the meaning of Buy Back of Shares, Explain the process of Issue of Bonus Shares, Explain the meaning of Forfeiture of Shares, Explain the meaning of Revaluation of Assets, State the causes of default in repayment of debt, Classification of debt as Non-performing Assets, State the Rights of the Lenders, Explain the mechanism of Corporate Debt Restructuring (CDR), Explain the need for Compromise

Proposals, State the provisions of One Time Settlement Scheme (OTS).

**Unit 12: Corporate Social Responsibility:** To study the Government Guidelines regarding Social, Environmental and Economic Responsibilities of Business, To study the Social Responsibility of Business, To study the Social Responsibility of Business, To study the Need For CSR, To understand the CSR Mechanism, To list the Arguments for and against CSR, To know the Barriers to CSR, To track the Key Developments in CSR, To analyses the Corporate Accountability, To know the Common Characteristics of Socially Responsible Firms, To know the Factors affecting social Responsiveness, To know the Benefits of CSR, To study the CSR initiatives in India, To study the Companies Act and CSR, To understand the concept of Triple Bottom Line, To understand the Global perspective of CSR, To list the Sustainable Development Goals, To study the Social Audit.

**Unit 13: Value based management and Corporate Governance:** Explain the meaning and scope of Corporate Governance, Explain the Objectives of Corporate Governance, State the Determinants of Corporate Governance, Describe the role of World Business Council for Sustainable Development, State the Principles of Corporate Governance, Describe Corporate Governance in India, Understand the Corporate Governance at ITC Ltd.

### **Course Outcome:**

On successful completion of the course the learner will be able to:

CO#	Cognitive Abilities	Outcomes
CO305.1	<b>Remember</b>	Learn and interpret the relevance of financial institutions.
CO305.2	<b>Understand</b>	Grab investment opportunities.
CO305.3	<b>Analyse</b>	Manage financial resources for investment portfolio and instruments.
CO305.4	<b>Apply</b>	Exhibit role of agents and instrument in financial markets.

### **Suggested Reading:**

1. Financial ACCT with coursemate-Godwin/Aderman/Sanyal-CengageLearning
2. Financial Management by Jonathan Berk, Peter DeMarzo and AshokThampy (Pearson Publication)
3. Financial Management by Khan and Jain (TATA McGraw-Hill)
4. Financial Management by I.M.Pandey (Vikas Publication)
5. Financial Management Principle and Practices by S. Sudarsana Reddy(Himalaya Publication)
6. Financial Management by Prasanna Chandra, TMGH, 7thEdition

Semester	3	Course Credits	4	Specialization	Financial Management
Course Code	OMBF-306			Type	Specialization Course
Course Title	Security Analysis and Portfolio Management (SAPM)				

### **Course Description:**

Security analysis and portfolio management course helps students to understand the investment field for sound investment decisions making. This course is designed to emphasize both theoretical and analytical aspects of investment decisions and deals with modern investment theoretical concepts and instruments. Security Analysis is the subject to study the composition and performance of stocks in capital market. The stocks are analysed using tools of fundamental analysis and technical analysis. Portfolio management refers to the management or administration of a portfolio of securities to protect and enhance the value of the underlying investment. It is the management of various securities (shares, bonds etc.) and other assets (e.g. real estate), to meet specified investment goals for the benefit of the investors. It helps to reduce risk without sacrificing returns.

### **Course Objectives:**

- 1) To familiarize with the fundamentals of security analysis and portfolio management concept;
- 2) To provide a conceptual insight to the valuation of securities;
- 3) To provide an insight about the relationship of risk and return; and
- 4) To be able to measure the return according to the expectations of the investors and portfolio management practices in India.

### **Course Outline:**

**Unit 1: Nature and Scope of Investments:** Introduction: Investment- Meaning and Concept, Types of Investment, Securities, Financial System and Financial Market, Security Market.

**Unit 2: Risk and Return:** Measures of Return, Risk, Measuring the Risk of Expected rate of Returns, Measuring Systematic Risk

**Unit 3: Security Market in India-I:** Security Markets- Introduction, New Issue Market (Primary Market), Stock Exchanges (Secondary market), Derivative Market, Functioning of Security Market, Market Index, Regulation of Security Market in India.

**Unit 4: Security Market in India-II: Listing, Trading, Clearing and Settlement.**

**Unit 5: Fundamental Analysis:** Fundamental Analysis, Equity Valuation Process, Advantages of Fundamental Analysis, Disadvantages of Fundamental Analysis.

**Unit 6: Technical Analysis:** Technical Analysis, Technical Analysis vs. Fundamental Analysis, Types of Charts, Basic Technical Tools, Market Indicators, Dow Theory, Strengths and Weaknesses of Technical Analysis.

**Unit 7: Equity Stock Valuation Models:** Equity Valuation- Introduction, Approaches to Valuation of Equity Stock, Methods of Equity Stock Valuation.

**Unit 8: Bond Valuation Models:** Bond- Introduction, Valuation of Bond, Components of Bond Valuation.

**Unit 9: Portfolio Management:** Management of Investments, Portfolio Management- Basics, Portfolio Management Strategies, Portfolio Management Services.

**Unit 10: Portfolio Theories and Portfolio Construction:** Portfolio Theories- Introduction, Markowitz Portfolio Optimization Model, Sharpe Single Index Model, Capital Asset Pricing Model, Arbitrage Pricing Theory, Asset Allocation Strategies.

**Unit 11: Portfolio Evaluation and Revision:** Portfolio Evaluation, Portfolio Revision.

**Unit 12: Investment Avenues:** Investment Avenues, Classification of Various Financial Instruments, Real Estate, Commodities, and Self-Assessment Questions.

**Unit 13: Personal Financial Management:** Personal Financial Management, Financial Planning Process, Personal Budget, Parameters to Choose Your Financial Planner, Types of Other Financial Advisors, Asset Allocation.

**Unit 14: Tax Planning:** Tax Planning- Introduction, Tax Avoidance vs. Tax Evasion, Tax Planning Basics, Consequences of Avoidance, Ways to do Tax Planning, Income Tax, Tax Planning Benefits, Penalties under Income Tax Act for Tax Evasion, Self-Assessment Questions.

**Unit 15: Wealth Management:** Wealth Management, Private Wealth Management, Discipline of Wealth, Wealth Management Customers, Market Models, Features/ Characteristics of Good Wealth Management, Importance of Wealth Management.

### **Course Outcome:**

On successful completion of the course the learner will be able to:

CO#	Cognitive Abilities	Outcomes
CO306.1	<b>Remember</b>	Learn the basic terms of security market in India.
CO306.2	<b>Understand</b>	Learn conceptual insights of portfolio management.
CO306.3	<b>Apply</b>	Apply the fundamental and technical analysis terminology for valuation of securities.
CO306.4	<b>Evaluate</b>	Match the expectation of the investors and portfolio management practices.
CO306.5	<b>Analyse</b>	Analyse self-financial management for choosing financial planner.
CO306.6	<b>Create</b>	Design self-financial planner.

### **Suggested Reading:**

1. Avadhani, V.A., Security Analysis & Portfolio Management, Himalaya Publishing House, New Delhi.
2. Bhalla, V.K., Security Analysis & Portfolio Management S.Chand & Co., New Delhi.
3. M. Ranganathan and R. Madhumathi: Investment Analysis and Portfolio Management, Pearson Education, New Delhi.
4. Prasanna Chandra: Investment Analysis and Portfolio Management, Tata McGraw- Hill, New Delhi.
5. Bharti V. Phatak: Indian Financial System, Pearson Education, New Delhi.

### **Semester-IV Finance Management Specialization**

<b>Semester</b>	4	<b>Course Credits</b>	4	<b>Specialization</b>	Finance Management
<b>Course Code</b>	OMBF-401			<b>Type</b>	Specialization Course
<b>Course Title</b>	Project Finance and Budgetary Control (PFBC)				

#### **Course Description:**

This course will help you understand the "macro" big picture and "micro" line item context and trends of finance—as well as the mechanics of developing budgets. It will give the students the necessary tools to make sound financial decisions for your business Unit. Whether the goal is to stay on budget, increase overall cost savings or meet specific profitability targets, real-world exercises will help students become familiar with the standard financial documents, and use budget and estimating methods and tools more effectively. Specifically, they will review and discuss commonly used financial metrics to not only understand the numbers, but also to explore the not-so-obvious financial impacts of typical operating decisions and actions—from a project to organizationallevel.

#### **Course Objectives:**

- 1) To be able to describe the concept, components of project finance and linkagebetween planning, analysis and selection ofproject;
- 2) To know the key parties to project finance and the documentation process involved init;
- 3) To gain knowledge of sources of finance available forprojects.
- 4) To describe the strategies employed in managing risk;and
- 5) To be able to solve simplecases.

#### **Course Outline:**

**Unit 1: Introduction to Project Finance:** Characteristics of a Project, what is Project Finance? Essentials of Project Financing, Importance of Project Financing, Project Financing Structures, Project Financing in India, Key parties to a Project Financing, Key Documents in a Project Financing, Risks in ProjectFinancing.

**Unit 2: Projects- Financial Structuring:** Common Objectives of the Project, The Promoters Role, Capital Investment Decision, Investment Criteria.

**Unit 3: Projects – Sources of Finance:** Sources of Capital.

**Unit 4: Project Financing- Cost of Capital:** Introduction, Investors in a Project, Financing Decision, Definition of Cost Capital, Measurement of Cost of Capital, Cost of Debt, Cost of Equity, Cost of Retained Earnings, Weighted Average Cost of Capital (WACC), Financing Structure.

**Unit 5: Projects - Market, Technical & Financial Feasibility:** Market Feasibility, Technical Feasibility, and Financial Feasibility.

**Unit 6: Financial Estimates and Projections:** Objectives of Financial Statements, Users of Financial Statements, Profit & Loss Statement/Operating Statement, Balance Sheet, Funds Flow Statement, Cash Flow Statement, Ratio Analysis, Significance of Ratio Analysis, Limitations of Ratio Analysis.

**Unit 7: Projects - Lenders' Appraisal:** Financial Feasibility Analysis, Technical Feasibility Analysis, Economic Feasibility Analysis, Management Competency Appraisal, Risk Analysis by Lenders, Restrictive Covenants, Non- Recourse and Recourse Financing, why do Projects Fail?

**Unit 8: Project Risk Analysis:** Sources of Risk, Project Risk Identification, Operating Risk, Risk Management.

**Unit 9: Financing Infrastructure Projects:** Characteristics of Infrastructure Finance, Infrastructure Project Finance vs. Traditional Finance, New Approach for Infrastructure Projects, Infrastructure Project Finance— Advantages, Infrastructure Project Finance— Participants, Financing Mechanism, Steps in Infrastructure Project Finance, Risks, and Its Mitigation

**Unit 10: Budgetary Control:** Definition of Budgetary Control, Advantages and Limitations of Budgetary Control, Types of Budgets, Master Budget, On the Basis of Capacity, Preliminaries in the Installation of Budget System.

**Unit 11: Standard Costing:** Meaning of Standard Costing, Relation Between Budgetary Control and Standard Costing, Advantages of Standard Costing, Disadvantages of Standard Costing, Suitability of Standard Costing as a Management Tool, Relationship of Standard Costing and Budgetary Control.

**Unit 12: Variance Analysis:** Material Variances, Labour Variances, Overhead Variances, Sales Variances.

**Unit 13: Zero-Base Budgeting, Performance Budgeting:** Basic Steps in the Implementation of Zero-Base Budgeting, Advantages of Zero Base Budgeting, Disadvantages of Zero Base Budgeting, Performance Budgeting, Steps in Performance Budgeting.

**Unit 14: Capital Budgeting Methodologies:** Meaning of Capital Budgeting, Capital Budgeting Methodologies.