

MBA
(FINANCIAL MANAGEMENT)

Semester

(With Effect from the Academic Year 2013-14)

ELIGIBILITY FOR ADMISSION

Candidates who apply for the degree of MBA shall possess the following qualifications.

(a) AGE LIMIT:

There is no upper Age Limit.

(b) QUALIFICATION:

Any Degree

3. DURATION OF THE COURSE

The course will be conducted for Two years under Semester pattern.

On completion of two years, the students will be awarded **MBA with Respective Specialisation.**

3.1. EXAM : There will be an examination conducted by the University at the end of each Semester.

3.2. PASSING MINIMUM : 50 marks

3.3. MEDIUM OF INSTRUCTION: The Medium of instruction will be English.

LIST OF SUBJECTS AND DETAILED SYLLABUS

SEMESTER	S.No	Title of the Subject
I	1.	Management Theory and Practice
	2.	Organisational Behavior
	3.	Accountancy for Managers
	4.	Managerial Economics
	5.	Statistics for Managers
II	6.	Marketing Management
	7.	Financial Management
	8.	Human Resource Management
	9.	Operations Management
	10.	Research Methods for Business
III	11.	Operations Research
	12.	Strategic Management
	13.	Financial Markets, Treasury & Risk Management
	14.	International Financial Management
	15.	Strategic Cost Management
IV	16.	Entrepreneurship
	17.	Security Analysis and Portfolio Management
	18.	Derivatives Management
	19.	Financial Analysis and Reporting
	20.	Management Information Systems
	21.	Final Project Report

21. PROJECT REPORT

Students are required to undertake a Research for in a relevant specialization. They must submit a research report on the relevant specialization guided by the Qualified External Examiner before the end of IV semester. The maximum mark for the research report is 100. The Minimum mark required to pass the Research Report is 50 Percent.

SEMESTER I

PAPER 1 MANAGEMENT: THEORY AND PRACTICE

Objectives: To help students understand Evolution of Management Thought, Concepts, basic functions and recent trends managerial concepts and practices for better business decisions.

UNIT I: Evolution of Management thoughts – Contribution of Selected Management Thinkers – Various approaches to management – contemporary management practice – Managing in global environment – Managerial functions.

UNIT II: Importance of planning – Types of planning – decision making process – Approaches to decision making – Decision models – Pay off Matrices – Decision trees – Break Even Analysis.

UNIT III: Departmentation – Span of Control – Delegation – Centralisation and Decentralisation – Committees – Line and Staff relationships – Recent trends in organisation structures.

UNIT IV: Process of Recruitment, Selection, Induction Training – Motivation – Leading – Leadership styles and qualities – Communication – process and barriers.

UNIT V: Managements control systems – techniques – Types of control.

REFERENCES

1. Bateman Snell, Management: Competing in the new era, McGraw-Hill Irwin, 2002.
2. Chandan J.S., Management Concepts and Strategies, Vikas Publishing House, 2002.
3. Hellriegel, Jackson and Slocum, Management: A Competency-Based Approach, South Western, 9th edition, 2002.
4. Koontz, Essentials of Management, Tata McGraw-Hill, 5th Edition, 2001.
5. Stephen P. Robbins and David A. Decenzo, Fundamentals of Management, Pearson Education, Third Edition, 2001.
6. Tim Hannagan, Management Concepts and Practices, Macmillan India Ltd., 1997.

PAPER II ORGANISATIONAL BEHAVIOUR

Objectives: To introduce students to framework that are useful for diagnosing problems involving human behaviour, to increase students understanding of psychological and sociological phenomenon that regularly occur in organizations. To understand the dynamics of human organizations and concepts of individual as well as the group level.

UNIT I: Definition, need and importance of organizational behaviour – nature and scope – frame work – organizational behaviour models.

UNIT II: Personality – types – factors influencing personality – theories – learning – types of learners – the learning process – learning theories – organizational behaviour modification. Attitudes – characteristics – components – formation – measurement. Perceptions – importance – factors influencing perception – interpersonal perception. Motivation – importance – types – effects on work behavior.

UNIT III: Organization structure – formation – groups in organizations – influence – group dynamics – emergence of informal leaders and working norms – group decision making techniques – interpersonal relations – communication – control.

UNIT IV: Meaning – importance – leadership styles – theories – leaders Vs managers – sources of power – power centers – power and politics.

UNIT V : Organizational climate – factors affecting organizational climate – importance. Job satisfaction – determinants – measurements – influence on behavior. Organizational change – importance – stability Vs change – proactive Vs reactive change – the change process – resistance to change – managing change. Organizational development – characteristics – objectives – team building. Organizational effectiveness – perspective – effectiveness Vs efficiency – approaches – the time dimension – achieving organizational effectiveness.

REFERENCES

1. Hellriegel, Slocum and Woodman, Organisational Behavior, South-Western, Thomson Learning, 9th edition, 2001
2. Stephen P. Robins, Organisational Behavior, Prentice Hall of India, 9th edition, 2001

PAPER III ACCOUNTANCY FOR MANAGERS

Objectives: To familiarize the students with basic Accounting concepts and Conventions, to make the students understand Financial Statements, to familiarize with the intricacies of accounting, planning and Management and to make them aware about the tools for decision making.

UNIT I: Introduction to Financial, Cost and Management Accounting – Accounting Conventions and Concepts- IFRS-Preparation of financial statements: Income statements and Balance sheet – Segmental Reporting

UNIT II: Financial statement analysis – Ratio analysis-Preparation of Cash Flow Statement-cash flow and funds flow statement analysis

UNIT III: Elements of Cost - Cost Classification - Cost Control & Cost reduction – Methods of costing - Preparation of cost sheet – Activity based costing.

UNIT IV: Basics of Cost Volume Profit (CVP) analysis – BEP analysis- Application of marginal costing in decisionmaking - Basic framework of budgeting-Preparation of Master, flexible and cash budgets- Zero based budgeting

UNIT V: Standard costing-Setting standard costs - Analysis of variance - Significance of Computerized Accounting System

REFERENCES

1. Bhattacharyya, Management Accounting, Pearson, 2010
2. Khan, Jain, Management Accounting : Text, Problems and Cases Tata McGraw Hill
3. Kuppapally, Accounting for Managers, Prentice Hall of India, 2009
4. Maheswari, Maheswari Accounting for Management Vikas Publishing 2009
5. Pandikumar, Management Accounting-Theory and Practice, Excel Books 2009
6. Vijayakumar, Accounting for Management, Tata McGraw Hill, 2009

PAPER IV MANAGERIAL ECONOMICS

Objectives: To impart knowledge and understanding to students on managerial economics and their application to business decision making.

UNIT I: Meaning and Scope of managerial Economics-Role and Responsibility of A managerial Economist-Fundamentals- concepts - Demand & Supply: Law of Demand-Types of Demand- Elasticity of demand-Demand forecasting, Law of Supply, Elasticity of Supply

UNIT II : Macro economic variables – national income, investment, savings, employment, inflation, balance of payment, exchange rate – circular flow of income – national income concepts – measurement of national income – role of economic planning – Indian economic planning.

UNIT : Determination of national income – Keynesian perspective - multiplier – accelerator – business cycle – the role of fiscal policy – Indian fiscal policy and experiences. Demand and supply of money – money market equilibrium – the role of money - monetary policy – Indian perspectives.

UNIT IV: Analysis of inflation and unemployment – the role of economic policies – Indian experiences.

UNIT V: International trade – trade multiplier – linkage model – the role of trade policy – analysis of performance of Indian economy in external sector.

REFERENCES

1. Geetika, Ghosh, Choudhury, Managerial Economics, Tata McGraw Hill 2009
2. Gupta, G.S. Macroeconomics, Theory and Applications, Tata McGraw-Hill
3. Hirschey, Managerial Economics- An integrative Approach, Cengage, 2009
4. Mankar, Business Economics Macmillan India Ltd 2009

PAPER V: STATISTICS FOR MANAGERS

Objectives: To help students understand application of statistics, probability Concepts, basic functions and practical usage for better business decisions.

UNIT I: Basic definitions and rules for probability, conditional probability, independent of events, Baye's theorem, random variables, Probability distributions: Binomial, Poisson, Uniform and Normal distributions.

UNIT II Introduction to sampling distributions, sampling techniques, sampling distribution of mean and proportion, application of central limit theorem. Estimation: Point and Interval estimates for population parameters of large sample and small samples, determining the sample size.

UNIT III TESTING OF HYPOTHESIS - Hypothesis testing: one sample and two samples tests for means and proportions of large samples (z-test), one sample and two sample tests for means of small samples (t-test), F-test for two sample standard deviations, Chisquare test for

single samples standard deviation. Chi-square tests for independence of attributes and goodness of fit.

UNIT IV NON-PARAMETRIC METHODS - Sign test for paired data. Rank sum test: Mann – Whitney U test and Kruskal Wallis test. One sample run test, rank correlation.

UNIT V CORRELATION, REGRESSION AND TIME SERIES ANALYSIS -

Correlation analysis, estimation of regression line. Time series analysis: Variations in time series, trend analysis, cyclical variations, seasonal variations and irregular variations.

REFERENCES

1. Aczel A.D. and Sounderpandian J., “Complete Business Statistics”, Tata McGrawHill
2. Levin R.I. and Rubin D.S., “Statistics for management”, Prentice Hall of India

SEMESTER II

PAPER I MARKETING MANAGEMENT

Objectives: It helps students to understand the basic concepts of Marketing Management, understand various marketing tools/models for solving marketing problems and to comprehend various situations and marketing terminologies.

UNIT I: Marketing conceptual frame work – marketing environment – customer oriented organization – marketing interface with other functional areas, marketing in a globalized environment.

UNIT II: Understanding Industrial and individual buyer behavior – influencing factors– responding to buyer behaviour – building customer satisfaction – marketing to organizations and marketing of services Market segmentation – targeting and positioning, developing marketing mix,

UNIT III: Product planning and development – product life cycle – brand management, developing new product -Pricing decisions – channel design and management – retailing and wholesaling – promotion methods. Advertisement and personal selling, public relations.

UNIT IV: Marketing Research- Types, process – tools and techniques – application of marketing research – product launching, demand estimation, advertising, brand preferences,

customer satisfaction, retail stores image, customer perception, distribution, customer relationship, competitor analysis and related aspects

UNIT V: Online marketing – web based marketing programmes – emerging now trends and challenges to marketers.

REFERENCES

1. Aakar Day, Kumar, Essential of Marketing Research.
2. Boyd Walker, Marketing Management, McGraw Hill, 2002.
3. Keith Flether, Marketing Management and Information Technology Prentice Hall, 1998
4. Phlip Kortler: Marketing management (Millenium edidtion), Prentice hall of India.
5. Zikmand d'Amico, Marketing South western, Thomson Learning, 2000.

PAPER II FINANCIAL MANAGEMENT

Objectives: Imbibing knowledge about the decisions and decision variables involved in building the asset side of balance sheet of the firm and developing the analytical skills by associating the tools and techniques with the situation and to develop skills for interpretation business information and application of financial theory in corporate investment decisions.

UNIT I: Financial management – An overview, time value of money. Introduction to the concept of risk and return of a single asset and of a portfolio, valuation of bonds and shares option valuation.

UNIT II: Capital Budgeting: Principles and techniques, Nature of capital budgeting, Identifying relevant cash flows, Evaluation Techniques, Payback, Accounting Rate of Return, Net Present Value, Internal Rate of Return, Profitability Index, Comparison of DCF techniques, Project selection under capital rationing, Inflation and capital budgeting. Concept and measurement of cost of capital, Specific costs and overall cost of capital.

UNIT III: Financial and operating leverage, capital structure, Cost of capital and revaluation, designing capital structure. Dividend policy, Aspects of dividend policy, practical consideration, forms of dividend policy, practical considerations, forms of dividends, share splits.

UNIT IV: Principles of working capital: Concepts, need; Determinants, issues and estimation of working capital, Accounts Receivables Management and factoring, Inventory management, Cash management, Working capital finance, Trade credit, Bank finance and Commercial paper.

UNIT V: Indian capital and stock market, New issues market. Long term finance: Shares debentures and term loans, lease, hire purchase, project financing, venture capital financing.

REFERENCES

1.. Khan M.Y and..Jain P.K, Financial Management, Text, Problems and Cases - Tata McGraw 2. Pandey I.M , Financial Management, Vikas Publishing House Pvt. Ltd.,

PAPER III HUMAN RESOURCE MANAGEMENT

Objectives: To provide the future manager with inputs with a view to Enhancing the appreciation of the Human Resources function as a potential career option, Understanding the interface of the Human Resources function with Operations, Marketing, and Finance functions

UNIT I : Human Resource Philosophy - Changing environments of HRM - Strategic human resource management - Using HRM to attain competitive advantage - Trends in HRM - Organisation of HR departments - Line and staff functions - Role of HR Managers.

UNIT II: Employment planning and forecasting – Recruitment, selection process- Building employee commitment : Promotion from within – Sources- Induction.

UNIT III : Orientation & Training : Orienting the employees, the training process, need analysis, Training -techniques, Developing Managers : Management Development - On-the-job and off-the-job Development techniques using HR to build a responsive organisation.

Management Developments - Performance appraisal in practice. Managing careers : Career planning and development - Managing promotions and transfers.

UNIT IV : Establishing Pay plans : Basics of compensation - factors determining pay rate - Current trends in compensation - Job evaluation – Incentives- Practices in Indian organisations. Statutory benefits - non-statutory (voluntary) benefits - Insurance benefits - retirement benefits and other welfare measures to build employee commitment.

UNIT V : Labour relations -Employee security - Industrial relation-Collective bargaining : future of trade unionism. Discipline administration - grievances handling - managing dismissals and separation. Labour Welfare : Importance & Implications of labour legislations - Employee health - Auditing -Future of HRM function.

REFERENCES

1. Gary Dessler, "Human Resource Management", Seventh edition, Prentice-Hall of India

2. Venkatapathy R.& Assissi Mencheri, Industrial Relations & Labour Welfare, Adithya Publications, CBE, 2001.
3. VSP Roa, Human Resource Management : Text and cases, First edition, Excel Books,

PAPER IV OPERATIONS MANAGEMENT

Objectives: To understand the concepts of Operation Management and its applications in industrial situations and to familiarize the students with various concepts of Operation Planning and Management.

UNIT I Production and Operations Management (POM) – Need, History, System, Types, functions and communication in POM. Computer Integrated Manufacturing and Services Systems. Global /trade operations and supply network applications.

UNIT II: Facility Location Decisions (FLcD) – Selections of country, region and site. Facility Layout Decision (FlyD) – Types (Fixed Position, and Production, Process, Flexible), Methodologies (Distance Minimising, Computer software systems (CRAFT, CORELAP, ALDEP),

UNIT III: Forecasting – Types, Methods (Qualitative and Quantitative), Types of variation in data, Minimising forecasting errors and selection of forecasting methods. Capacity Planning- MRP and MRP II systems Introduction to ERP Line Balancing and performance ratios,

UNIT IV: Material Management (MM) – Handling Technology (Robots, Automated storage and retrieval systems (ASRS) and methods (JIT, / Kanban, ABC Systems).Independent Demand Inventory Models – Fixed order system, Basic EOQ, EBQ Models, Quantity discount models. Dependent Demand Inventory models

UNIT V: Johnson’s Algorithm for job sequencing -Use of Gantt charts, Queuing analysis and Critical Ratios as methods for job scheduling. work measurement methods (WM) - Time study, methods-time measurement, Work Sampling, White color measurement and learning curves, Using WM to increase productivity- PERT / CPM – Drawing the network, computation of processing time, floats and critical path. Resource leveling techniques.

REFERENCES

1. Paneer Selvam R., Production and Operations Management, Prentice Hall of India.

2. Sang M Lee and Marc J Schniederjans, Operation Management, All India Publishers

PAPER V RESEARCH METHODS FOR BUSINESS

Objectives: To impart knowledge to evaluate and conduct research on management problems/issues, to provide skills necessary for the conduct of student research projects as a part of the programme requirement and to highlight importance of research in management

UNIT I: Business Research – Definition and Significance – the research process – Types of Research –Research questions / Problems – Research objectives – Research hypotheses – characteristics – Research in an evolutionary perspective – the role of theory in research.

UNIT II: Research Process- Research design – Definition – types of research design – exploratory and causal research design – Descriptive and experimental design – different types of experimental design – Validity of findings – internal and external validity – Variables in Research – Measurement and scaling – Different scales – Construction of instrument – Validity and Reliability of instrument.

UNIT III: Types of data – Primary Vs Secondary data – Methods of primary data collection – Survey Vs Observation – Experiments – Construction of questionnaire and instrument – Validation of questionnaire – Sampling plan – Sample size – determinants optimal sample size – sampling techniques – Probability Vs Non-probability sampling methods.

UNIT IV: Data Preparation – editing – Coding –Data entry – Validity of data – Qualitative Vs Quantitative data analyses – Bivariate and Multivariate statistical techniques – Factor Analysis - multiple regression and correlation –Application of statistical software for data analysis.

UNIT V Research report – Different types – Contents of report – need of executive summary – chapterization – contents of chapter – report writing – the role of audience – readability – comprehension –report format – title of the report – ethics in research – ethical behaviour of research

REFERENCES

1. Alan Bryman and Emma Bell, Business Research methods, OUP.
2. Cooper and Pamela Business Research methods , Tata Mc Graw Hill, 2006.
3. Uma Sekaran, Research methods for Business, Wiley India, New Delhi, 2006.

SEMESTER III

PAPER I OPERATIONS RESEARCH

Objectives: To provide a formal quantitative approach to problem solving and an intuition about situations where such an approach is appropriate, to introduce some widely-used mathematical models. The understanding of these models will allow the students to communicate with persons who run them and to evaluate the results they present and to provide a tool that the students can use to solve management problems.

UNIT I: Introduction to applications of operations research in functional areas of management.

Linear programming- Formulation, Solution by graphical and simplex methods, Special cases, Dual simplex method, Principles of duality, Sensitivity analysis.

UNIT II: Transportation models (minimizing and maximizing cases) –Balanced and unbalanced cases –Initial basic feasible solution by N-W corner rule, least cost and Vogel’s approximation methods. Check for optimality. Solution by MODI /Stepping stone method. Cases of degeneracy. Transshipment models.

UNIT III: Solution to pure and mixed integer programming problem by Branch and bound and cutting plane algorithms. Game theory-Two person zero sum games-saddle point, Dominance Rule, Convex Linear combination (averages), methods of matrices, graphical and LP solutions.

UNIT IV: Dynamic programming (DP) – Deterministic cases – Maximizing and minimizing problems. DP techniques for LP problems. Decision making under risk – Decision trees – Decision making under uncertainty. Application of simulation techniques for decision making.

UNIT V QUEUING THEORY AND REPLACEMENT MODELS -Queuing theory – single and multi-channel models – Infinite number of customers and infinite calling source. Replacement models –Individual replacement models (with and without time value of money) – Group replacement models.

REFERENCES

1. Paneerselvam R., Operations Research, Prentice Hall of India,
2. Toha, “Operations Research”, Tata Mc Graw Hill

PAPER II STRATEGIC MANAGFEMENT

Objectives: The Objective of the course is to enable students have a grasp of various business strategies in general and functional management areas. It will provide a strategic orientation in conduct of the business.

UNIT I: Conceptual framework for strategic management, the Concept of Strategy and the Strategy Formation Process – Stakeholders in business – Vision, Mission and Purpose – Business definition, Objectives and Goals - Corporate Governance and Social responsibility

UNIT II External Environment - Environmental Threat and Opportunity Profile (ETOP) – SWOT- Porter’s Five Forces Model-Strategic Groups Competitive Changes during Industry Evolution- Globalisation and Industry Structure - National Context and Competitive advantage Resources- Avoiding failures and sustaining competitive advantage-

UNIT III The generic strategic alternatives – Stability, Expansion, Retrenchment and Combination strategies - Business level strategy- Strategic analysis and choice -OCP - Strategic Advantage Profile - Corporate Portfolio Analysis - SWOT Analysis - GAP Analysis - Mc Kinsey's 7s Framework - GE 9 Cell Model - Distinctive competitiveness - Selection of matrix - Balance Score Card

UNIT IV : The implementation process, Resource allocation, Designing organisational structure-Designing Strategic Control Systems- Matching structure and control to strategy-Implementing Strategic change-Politics-Power and Conflict-Techniques of strategic evaluation & control

UNIT V: Managing Technology and Innovation- Strategic issues for Non Profit organizations- New Business Models and strategies for Internet Economy

REFERENCES

1. Azhar Kazmi, Strategic Management & Business Policy, Tata McGraw Hill, Third Edition
2. Thomas L. Wheelen, J.David Hunger and Krish Rangarajan, Strategic Management and Business policy, Pearson Education., 2006

PAPER III FINANCIAL MARKETS, TREASURY AND RISK MANAGEMENT

Objectives

- To acquaint with the nature of Indian Financial System
- To Understand the Treasury and Risk Management process in Banking
- To examine the role of commercial banks in the Indian Economy

Unit – I: Indian Financial System

An overview of Indian Financial System-Financial Markets-Money Market and Capital Market-Money Market Instruments-call Money, T-Bills, Commercial Paper, Certificate of Deposits, Repo and Reverse Repo.-Primary and Secondary Market-Role of RBI,SEBI,DFHI,SHCI in Financial Markets.

Unit – II: Treasury management in Banking Industry

Concept and Functions of Treasury Management in Commercial banks-Treasury Products in Forex Market, Money Market and Securities Market-Funding and Regulatory aspects-CRR, SLR, Liquidity Adjustment Facility (LAF) and Payment and Settlement system.

Unit – III: Risk Management Process in Banking

Risks in Banking activities-Credit Risk, Liquidity Risk, Interest Rate Risk, Market Risk, Exchange Rate Risk and Operational risk-Risk Mitigation Measures. Capital Management in Banking-Capital Adequacy Norms-Basel II -Three Pillars Overview and Compliance Requirements.

Unit – IV: Commercial Banks and their Roles in Indian Economy

Role of RBI in ensuring economic growth and Containing Inflation through Commercial banks - Recent Trends in Banking - Retail Lending and Corporate Banking - Universal banking-Leasing and Hire purchase - Credit Rating- Home Loans- Mutual fund - Bancassurance - Resolving customer complaints through Ombudsman.

Unit – V: Profit planning activities of Banks through Subsidiary activities

Merchant Banking-IPO and Equity issue-Underwriting of Shares-Pricing of issue-Book building process-Profit earnings through non fund based activities like issue of LCs, Bank Guarantees etc. and other fee based activities. -Increasing liquidity and profitability through the process of Securitization.

REFERENCES

1. Avadhani. V.A, Treasury Management in India, Himalaya Publishing House, 2002
2. Khan M.Y., Financial Services, Tata McGraw Hill , 2004
3. Khan M.Y., Indian Financial System, Tata McGraw Hill, 2007
4. Varsnney and Mittel, Indian Financial System, Sultan Chand Publications, New Delhi. 2003

PAPER IV INTERNATIONAL FINANCIAL MANAGEMENT

Objectives:

- To explain the basic features and functions of Forex Market
- To develop an appreciation in Foreign Exchange Exposure and Management
- To understand the International Financial System

Syllabus

Unit - I: Foundations of International Financial Management

Balance of Payments-Current account and Capital account-Forex Reserves. Functions and Structure of Forex market-Forex market Participants-Correspondent Banks-Nostro and Vostro accounts. Bid-Ask rates-Spot and Forward Transactions Forward Premium and Discount-Arbitrage-Exchange Rate theories-Purchasing Power Parity, Interest Rate parity-Fisher Effects.

Unit – II: International Markets

International Financial Management - an overview. Globalization-Multinational Corporations-Foreign Direct Investment-Methods of raising Funds in International Markets. ADRs and GDRs-International Bond Market and Equity Market-Euro Dollar/Euro currency Market-External Commercial Borrowings (ECB)-Instruments in International Financial Markets-Offshore Banking-Tax-havens.

Unit – III: Foreign Exchange Exposure and Management

Management of Transaction Exposure, Translation Exposure and Economic Exposure - Methods of hedging the exposures-Overview of Derivatives in hedging the risks-Forward Contracts, Swaps, Options and Futures.

Unit – IV: International Financial System

International Monetary System-Bretton Woods System-Flexible Exchange Rate system Fixed and Floating rate system-World Bank and its affiliates-International Monetary Fund-special drawing Rights.

Unit – V: Financing of International Trade-Indian Perspectives

International methods of Payments and settlements - Letter of Credit - Provisions of UCPDC - Exports and Imports - Exchange control requirements - Pre-shipment and Post Shipment finance - Factoring and Forfeiting services - Role of Exam Bank and ECGC.

References

1. Apte.P.G. - International Financial Management - Tata McGraw Hill Publishing Company Ltd, 2002
2. Cheol S. Eun and Bruce G. Resnick - International Financial Management - Tata McGraw Hill Publishing Company Ltd, 2005
3. Eun, Cheol S.; Rooke, David Percy; Resnick, Bruce G.; - International financial Management – Irwin/McGraw-Hill, 2003

PAPERV: STRATEGIC COST MANAGEMENT

Objectives

- To explain how the costing techniques are useful in the process of managerial decision-making
- To Understand the role of a cost manager in pricing
- To familiarize the strategic cost management tools and techniques

Unit – I

Cost analysis and Management decisions – Concepts of Cost – Cost information – Cost behaviour – Cost structure today – Cost Volume Profit Analysis, its application and limitations – Discussions involving alternative choices – Curvilinear BEP – Cost indifference point.

Unit – II

Strategic Cost Management Tools and Techniques – Activity Based Costing and Activity Based Management – Drawbacks of conventional Manufacturing Costing System – Target Costing - Life Cycle Costing.

Unit – III

Measuring total business unit performance – Financial and non financial – Balanced Score card and its perspectives. Divisional performance and segment performance

Unit – IV

Cost information for pricing and product planning- Factors Involved in deciding pricing - Role of BICP — Role of Product's cost in pricing – Short term and long term pricing decisions – ROI, Cost plus, Marginal cost, Bottom line Pricing - Transfer pricing – International Transfer Pricing - Governments intervention in pricing.

Unit – V

Total Cost management and Value engineering – Cost control and cost reduction – Techniques of cost reduction -- Six sigma and cost manager – Benchmarking

References

1. John K. Shank and Vijay Govindarajan, Strategic Cost Management , Vikas Publishing House, 2004
2. Robert Kaplan & Robin Cooper - Cost and effect, Harvard Business School. 2002
3. Robert Kaplan et.al, Management Accounting, Prentice Hall, New Delhi(2005)
4. Saxena and Vashist, Advanced Cost and Management Accounting:Problems and Solutions, Sulthan Chand & Sons, New Delhi, (2004)
5. Saxena and Vashist – Advanced Management Accounting Problem and Solution. Sultan chand ,2006

SEMESTER IV

PAPER I : ENTREPRENEURSHIP

Objectives: To enable the students have entrepreneurial motivation by providing the basic idea of entrepreneurship, business ideas, project writing and new venture creation

UNIT I: Entrepreneurship concept – Entrepreneurship as a Career – Entrepreneurial Personality - Characteristics of Successful, Entrepreneur – Knowledge and Skills of Entrepreneur.

UNIT II: Business Environment - Role of Family and Society - Entrepreneurship Development Training and Other Support Organisational Services - Central and State Government Industrial Policies and Regulations - International Business.

UNIT III : Business Idea- Idea generating Techniques- Sources of Product for Business - Prefeasibility Study - Criteria for Selection of Product - Ownership - Capital - Budgeting Project Profile Preparation - Matching Entrepreneur with the Project - Feasibility Report Preparation and Evaluation Criteria- Venture Creation.

UNIT IV: Finance and Human Resource Mobilization Operations Planning - Market and Channel Selection - Growth Strategies - Product Launching- Role of Venture Capitalists and Angel Investors in promoting entrepreneurship.

UNIT V: Monitoring and Evaluation of Business - Preventing Sickness and Rehabilitation of Business Units- Effective Management of small Business.

REFERENCES

1. Hisrich, Entrepreneurship, Tata McGraw Hill, New Delhi, 2001.
2. Khanka S.S., Entrepreneurial Development, S.Chand and Company Limited
3. Mathew Manimala, Entrepreneurship Theory at the Crossroads, Paradigms & Praxis, Biztrantra ,2nd Edition ,2005

PAPER II: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Objectives:

- To familiarize with the concept of Investment, particularly in a capital market
- To explain how the Fundamental and Technical Analysis are useful in the process of Investment decisions
- To make aware of the various portfolio management techniques

Unit - I

Investment - Meaning - Classification - Features - Investment, Speculation and gambling - Factors influencing Investment - Investment Avenues in India. - Tax planning and Investment - Risk and Return - Systematic and unsystematic Risk - measurement of Risk and Return - Return on Investment.

Unit - II

Valuation of securities - concept of valuation - Going concern value – Bond valuation - Equity valuation - Time Value of Money -Options and futures - Valuation of options - Warrants and Convertibles - Mutual Funds.

Unit - III

Fundamental Analysis - Economic, Industry, and Company analysis – Trading in stock market - Depository System - Stock Exchanges - Indices - SEBI – Functions and regulations.

Unit - IV

Technical Analysis - Features - Tools for analysis of individual security - Tools for market analysis - Charts - Dow Theory – Efficient Market Hypothesis - Forms of market efficiency - Random Walk Theory.

Unit - V

Portfolio Management - Principles - Policies - Diversification – Modern portfolio Theory - An optimum portfolio - portfolio selection. The Efficient frontier - leveraged and unleveraged portfolio - CAPM - Assumptions - Determinants of expected return - Security Market Line - Reward to Risk ratio - Markowitz Model - Share's Portfolio Model - Arbitrage Pricing Theory – Portfolio Measurement models – Sharpe, Treynor and Jensen's measures

References

1. Fischer and Jordan, Security Analysis and Portfolio Management , 2004
2. Jack Clark Francis, Investments McGraw Hill International Edition, 1991.
3. Kevin S. Portfolio Management PHI 2001.
4. Natarjan L., Investment Management, Margham, 2005.
5. Punithavathy Pandian, Security Analysis and Portfolio Management, Vikas, 2001.
6. Sharpe, Alexander and Bailey, Investments, PHI, 1999.

PAPER III: DERIVATIVES MANAGEMENT

Objectives

1. To acquaint with the nature of Derivatives Market
2. To familiarize the determination of futures price and options price
3. To help exposure on options strategies and swaps

Unit I

Derivatives Markets - Derivatives: Meaning, History & functions of derivatives market, participants in Derivative market, Legal framework of derivatives market in India with respect to Stock, Currency and Commodity derivatives Futures market, Forwards and Futures contract, Similarities & Differences, Options, Types, American and European, In-the-money, At-the-money, Out-of-the money options, Listed Options, Futures and Options on Indices, Stock, Commodities, Energy, Foreign Exchange and Interest rate

Unit II

Determination of Futures price: Stock, Commodity and Currency: Cost of carry, Basis, Spot – Futures parity theorem, Spreads, Forward Vs futures pricing. Future prices vs Expected spot prices, Expectation hypothesis, Normal backwardation, Contango - Mechanics of trading in derivatives: Clearing house, SPAN Margin, Marking to Market, Cash Vs Actual delivery, Regulations.

Unit III

Option Prices: Factors affecting call & put option prices, Determinants of Option values/premium, Restriction of option values, Black – Scholes formula, Call option valuation, Put option valuation, Hedge ratios, Binomial model.,

Unit IV

Option strategies & prices: Protective put, covered call, straddle, Spreads, Collars. Option valuation: Introduction, Intrinsic and time values- Hedging using Strategies: Protective puts, protective calls, covered calls, spreads, combinations, delta hedging.

Unit V

Swaps: Swaps-Evolution, Types, Interest rate swap, Designing and valuation, Currency swaps: designing and valuation, Swap pricing, Credit risk and swap market, Swap variations. Interest rate futures: Hedging interest rate risk using interest rate futures

References:

1. John Hull, Fundamentals of Futures and Options Markets (7th Edition), Pearson Higher Education (2010)
2. Options, Futures, and Other Derivatives , (7th Edition), John C Hull, Pearson Higher Education (2010)
3. NCFM – Derivatives Dealers Module book, National Stock Exchange of India Ltd, 2009
4. NCFM - Options Trading Strategies Module book, National Stock Exchange of India Ltd, 2009
5. Varma A., Derivative and Risk Management (1st Edn.) Tata Mgra Hill

PAPER IV: FINANCIAL ANALYSIS AND REPORTING

Objectives:

- To Understand the Financial Statements for the purpose of analyzing
- To discuss the techniques of Financial Statement of Analysis
- To examine the Financial Distress and Scams

Unit I

Introduction - Financial statements- Analyzing the Balance Sheet using Excel- Work sheet – Formatting – Audit tool bar – Graphics Viewing Formula -Decision making relationship with Financial Statement & Financial Statement Analysis (FS & FSA) -Sources of information for FA-Traditional and new approaches to FSA

Unit II

Techniques of FSA (Financial Statement Analysis) - Comparison- Intra firm, Inter firm, Inter period analysis, Regional performance analysis, Cross sectional analysis, Residual method, Beyond national boundary analysis-merits and limitations-Types of analysis- Comparative, common-size, trend analysis, Ratio analysis - merits and limitations

Unit III

Income Statement Analysis - Factors affecting reported income –Classification of income statement analysis-Barriers and measures to overcome objective income statement analysis- Revenue and expenses recognition-Techniques used by Management for earning manipulation.

Unit-IV

Balance Sheet Analysis - Asset Reporting - Accounting for Fixed Assets – Accounting for Liabilities –Off Balance sheet liabilities

Unit- V

Financial Distress And Scams - Need for corporate failure analysis-Stages, Symptoms in FD- Concepts on sickness, Distress, Failure and insolvency-Factors responsible for FD. Assessing Bankruptcy status as per Altman's Model- Corporate(Accounting) scams Enron, World com, Satyam –Measures taken by SEBI, Companies act to prevent scams after US Soxy Act 2002.

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1. Gokul Sinha, Financial Statement analysis, Prentice Hall of India, New Delhi 2009.
2. John J.wild K.R.Subramanyam and Robert F. Halsey, Financial Statement Analysis, Tata McGraw Hill Publishing company Ltd. New Delhi, 2004.
3. Krishna G. Palepu, Paul M. Healy and victor L. Bernard, Business Analysis and Valutaion using Financial statements, Cengage Learning India Pvt Ltd., New Delhi, 2006.
4. Ruzbeh J. Bodhanwala, Understanding and Analyzing Balance Sheets Using Excel Worksheet, PHI, New Delhi 2009.
5. Stephen H Penman, financial Statement analysis and Security Valuation, Tata McGraw hill publishing company ltd. New Delhi, 2007.

PAPER V: MANAGEMENT INFORMATION SYSTEMS

Objectives: Make the students to understand the interface of the Human Resources function with Operations, Marketing, and Finance functions and to impart knowledge on information systems and its relevance to business decisions.

UNIT I : Human Resource Philosophy - Changing environments of HRM - Strategic human resource management - Using HRM to attain competitive advantage - Trends in HRM - Organisation of HR departments - Line and staff functions - Role of HR Managers.

UNIT II: Employment planning and forecasting – Recruitment, selection process-Sources- Induction-Orientation & Training - Management Development - On-the-job and

off-the-job- Management Developments - Performance appraisal in practice. Managing careers : Career planning and development - Managing promotions and transfers.

Unit III : Establishing Pay plans : Basics of compensation - factors determining pay rate - Statutory benefits - non-statutory (voluntary) benefits - Labour relations - Industrial relation- Discipline administration - grievances handling - managing dismissals and separation.

UNIT IV: Foundations of Information Systems: A framework for business users - Roles of Information systems - System concepts - Organisation as a system - Components of Information Systems - IS Activities - Types of IS-HRIS: Function, Usage and Application.

UNIT V: DSS: DSS models and software: The decision making process - Structured, Semi Structured and Unstructured problems; Managing Information Technology: Managing Information Resources and technologies - Security and Ethical Challenges: IS controls - facility control and procedural control

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1. Gary Dessler, "Human Resource Management", Seventh edition, Prentice-Hall of India
2. James A O'Brien, "Management Information Systems", Tata McGraw Hill.
3. VSP Rao, Human Resource Management : Text and cases, First edition, Excel Books
4. Waman S Jawadekar , "Management Information System Text and cases", TMH