



Master of Business Administration

SEMESTER I

1. Management Concepts & Theories
2. Organizational Behaviour
3. Business Environment
4. Managerial Communication
5. Managerial Accounting
6. Managerial Economics
7. Statistics for Management

Management Concepts & Theories

1. Management : definitions , nature and scope of management, functions and process of management, evolution of management theory from Taylor , Fayol , Drucker to the present. Growth of professional management in India. Ethics in management.

2. Managerial Planning : planning process, types of plans, strategic vs. operational plans, models of strategy formulation , linking strategy to structure.

3. Decision Making : managerial decision-making process and models, steps in rational decision -making, creativity and group decision -making.

4. Organizations : organizational theories and design , various forms of organization structures, span of management principles of coordination, authority, power, delegation and decentralization.

5. Managerial Control: relationship between planning and control -limitations of control , types of control systems and techniques – management by exception, budgetary control , functional and dysfunctional aspects of budgetary control , internal control systems , internal audit and management audit.

Suggested Readings :

1. Principles of Management- G. Murugesan, Laxmi Publications.
2. Essential of Management - Koontz and O ' Donnell, TMH.
3. Introduction to Management - Fred Luthans - Mc Graw
4. The Practice of Managemnt- Peter . F. Drucker
5. Management- S toner, Freeman and Gi lbert
6. Management- Griffin
7. Management- Holt
8. Management- Tasks and Responsibilities - Peter . F. Drucker
9. Professional management- Theo Haimann
10. Organization Theory and Design – Richard L. Draft
11. Management - Richard L. Draft
12. People and Pe rformance by Peter F . Drucker

Organizational Behavior

1. Fundamentals of Organizational Behavior: evolution of organizational behavior, individuals and Organizations, forces affecting organizational behavior, Changing work force and employment relations, impact of globalization and information technology on organizational behavior.

2. Individual Dimensions in Organizational Behavior: individual differences – perceptions, interests, aptitude, attitude, learning, personality, creativity.

3. Group Dynamics : group behavior, team development, group cohesiveness – group decision making process, Effective teams, organizational conflicts & conflict resolution, interpersonal skills, Johari Window and transactional analysis.

4. Motivation: theories and models of motivation, Leadership, theories of leadership & leadership styles.

5. Management of Change : resistance to change, change models, change agents. Organizational effectiveness. Organizational climate and culture, learning organizations.

Suggested Readings:

1. Organizational Behavior – PK Ghosh, Laxmi Publications
2. Organizational Behavior – Robbins .
3. Organizational Behavior - Fred Luthans
4. Human Behavior at Work - Keith Davis
5. Organizational Theory and Design – Daf t
6. The Fifth Discipline - Peter Senge
7. The Seven Habits of highly Effective People - Stephen Covey
8. Understanding Organizational Behaviour – Uday Parekh
9. The Five Minds - Howard Gardner
10. All the books by Ed ward De Bono
11. Work in the 21 st Century – Landy and Jeffrey

Business Environment

1. Business as a social system : internal and external environment, stakeholder map of business, role of government in economic activity and its impact on business in India. Business Ethics and Corporate Social responsibility. Issues in corporate governance.

2. Economic Structure of India : economic planning in India, transition from mixed economy to a market economy, outlines of Public and Private sectors. Characteristics of industrial, service and agricultural sectors. Regional and sectoral imbalances, Dualism, Trends in GDP.

3. Monetary and Fiscal System of India: overview of India's monetary policy, fiscal policy, role of RBI, the banking sector, Indian financial system, money market and capital markets, stock exchanges and stock market reforms in India. Industrial finance in India – role of development financial Institutions and commercial banks, N B F C ' s . Financing of exports and imports , EXIM and ECGC . Issues in taxation and government expenditure – FRBM Act, the problem of fiscal deficit.

4. Indian Society , Culture and Politics: social problems of India, Impact of modernization on Indian society, demography, gender , environmental issues.

5. International Business Environment: India as a player in the International market place – its position and prospects, the role of multi -national companies in India . FDI & FI I ' s in India .

Suggested Readings:

1. Business Environment- Dr. Francis Cherunilam, HPH.
2. Business Environment – C.A.Francis
3. Business, Government & Society – Arthur Gold Smith.
4. Ethical choices - shekar
5. India Development Reports
6. India in Transition – Jagdish Bhagwathi
7. India's Economic policy – Bimal Jalan
8. Is there a Indian way of thinking – A.K. Ramanujam
9. A Million Mutinies- V.S. Naipual
10. International Business Environment by Daniels & Radbaugh
11. India in the Era of Economic Reforms – Sachs, Jaffrey, Varshney ,
12. Ashutosh and Rajpai , Nirupam , New Delhi , Oxford , 1999 .
13. Fiscal Policy , Public Policy and Governance – Shome , Parthasarathi
14. Eight Lectures on India's Economic Reforms – Srinivasan.T.N
15. Fiscal Policy Developments in India 1950 - 2000 – Sury
16. India's Economic Performance and Reforms : A Perspective for the New Millenium – Swamy , Subramanian
17. Imagining in India – Nandan Nilekani

Managerial Communication

- 1. Introduction:** nature of managerial communication, the communication process. Effective communication and barriers to communication, communication skills; writing, reading, logic ,analysis and listening .
- 2. Communication for Problem Solving:** problem solving– communication model for case analysis and reporting in detail. Group discussion, in -class or work shop exercises and assignments.
- 3. Writing Skills :** exercises in drafting letters, memos, e-mail, proposals, resume writing, reports and executive summaries. The structure and process of creating business messages .
- 4. Oral Communication :** exercises in speaking , discussing , listening and negotiating , body language and kinesics , business etiquettes .
- 5. Business Presentations :** hands– on with excel and office power point .

Suggested Readings:

1. Business and Managerial Communication- Sengupta, Sailesh, PHI.
2. Better Business Communication – Denish Murphy
3. Written Executive Communication - Shurter
4. Model Business Letters - Gartis ide.
5. Business Communicat ion – Lesikar – Pettit - Flatery .
6. MLA' s Handbook.
7. Business Research Methods- Cooper and Schneider
8. Business Research Methods - Zikmund

Managerial Accounting

1. Introduction to Accounting : meaning, accounting concepts and conventions –Financial Accounting V/ s Management Accounting– Recording, classifying and summarizing business transactions leading to preparation of final accounts of sole proprietary , merchandizing manufacturig and service businesses using Excel .

2. Company Final Accounts in India : requirements of Companies Act of 1956 with respect to preparation of Final Accounts of Companies - Annual Reports an ditscontents.

3. Financial statement Analysis : techniques of financial statement analysis: Horizontal analysis ,Vertical analysi s, Trend Analysis, Ratio Analysis (Profitability, Liquidity, Solvency and Capital market ratios), preparation of fund flow & cash flow statement using Excel .

4. Excel applications : preparation and Analysis of Income Statement, Balance Sheet, Cash Flow Statement, Ratios and Projections using excel.

5. Cost accounting : elements of Costs, Classification of costs,Preparation of Cost Sheet, Cost accounting systems: Job costing ,process costing , contract costing and service costing , Marginal costing and use of break - even analysis in decision - making – Relevant costs for marketing and production decisions- Cost Drivers and Activity Based Costing.

Suggested Readings:

1. Business Accounting and Financial Management- Subhash Chandra, PHI.
2. Financial Accounting : A Managerial perspective – R .Narayan swamy.
3. Introduction of Management Accounting- Horngren , Sundem, Stratton.
4. Cost and Managerial Account ing - Duncan Willamson
5. Cost accounting for Business Managers-Asish K Bhattacharayya.
6. Management and Cost Accounting- Colin Drury
7. Management Accounting – Hensen Mowen
8. Financial Analysis and Modelling – Chandan Sen Guptha

Managerial Economics

1. Managerial Economics : introduction, basic concepts, application in business decision – making. Demand and Supply Analysis, determinants, equilibrium, elasticity, demand forecasting and estimating methods.

2. Theory of consumer behavior : consumer preferences, indifference curves, budget constraint, utility maximization and the derivation of the consumer demand curve .

3. Production and Cost Analysis : production functions – cost functions and profit functions, total , average and marginal costs, returns to factors and scale, short run v/s long run decisions, derivation of the supply curve.

4. Market Analysis : market forms, perfect, competition, monopoly, monopolistic, oligopoly. Output and price determination. Cartels and collusion, mergers and acquisitions and government regulations in the form of price directives, taxes, subsidies, anti-trust action and competition policies.

5. National Income Accounting : concepts of GDP , NI , percapita income , PPP National income accounting in India . Business cycles and business forecasting. Measuring business cycles using trend analysis, macro economic indicators in business cycle measurement , Coping strategies for business .

Suggested Readings:

1. Essentials of Business Economics- D N Dwivedi, Vikas Publications.
2. Managerial Economics - Dominick Salvatore .
3. Managerial Economics - Gupta and Mote
4. Economics - Samuelson & Nordhaus
5. Managerial Economics by Peterson and Lewis
6. Micro Economics – Dominick Salvatore
7. Macro Economics – Palmer and others
8. Macro Economics - Koutinyas

Statistics for Management

1. Quantitative data interpretation in managerial decision making: collection– classification–tabulation– frequency distribution– charts using excel, measures of central tendencies and dispersion– using visual explorations in MS excel .

2. Correlation and regression : multiple correlation – basic probability concepts – conditional probability – Bayes theorem – use MS excel PH STAT 2 .

3. Probability distributions : binominal Poisson and normal distributions using excel – estimation – point and interval – using Excel .

4. Statistical Decision Theory : hypothesis testing for means and proportions and for difference of means and proportions – analysis of variance.

5. Sampling : sampling techniques, random sampling, random numbers table, Monte Carlo simulation , Chi – square tests , time series forecasting, hands-on with MS excel .

Suggested Readings:

1. Golden Statistics- N.P. Bali, Laxmi Publications.
2. Statistics for Managers – using Microsoft excel – Levine, Stephan & others
3. Statistics for Management – Richard Levin and Rubin [excel version]
4. Statistics – Murray Spiegel , Schaum Series
5. Probability and Statistics – Murray Speige l, Schaum Series
6. Quantitative Business Analysis – Text & Cases – Samul Bodiley & others
7. Business Statistics – Kazmier , Schaum Series
8. Basic Business Statistics – Bereuram and Levine
9. Quantitative Methods – Anderson , Sweeny & William



Master of Business Administration

SEMESTER II

1. Marketing Management
2. Human Resource Management
3. Corporate Finance
4. Quantitative Methods
5. Legal aspects of Business
6. Operations Management
7. Management Information Systems

Marketing Management

1. Introduction to Marketing Management : nature of marketing management, Types of products/ services. Marketing concepts: Product, Production, Selling, Marketing and Societal, Concepts Marketing environment, elements of Marketing Mix. Classification of goods & services.

2. Consumer Behavior : consumer & buyer behavior process, models of consumer behavior. Market research and market intelligence. Marketing information system .

3. Market Segmentation and Targeting : concept of segmentation and targeting, basis for segmentation. Segmentation for consumer and industrial products, Product positioning .

4. Product & Price: product Mix and Product Line, levels of product, new product development, product life cycle strategies. Branding, types of brands, brand building, measuring brand equity. Packaging and labeling. Pricing : General pricing approaches, new product pricing strategies, Public policy and pricing.

5. Promotion and Place Mix: elements of promotion mix, Marketing communication process, Publicity, Advertising and public relations. Personal selling and sales promotion. Direct marketing and online marketing. Distribution channels and logistics management, Channel design and administration, Public policy and distribution decisions .

Suggested Readings:

1. Fundamentals of Marketing- Vikas Saraf, Pawan Thakur, Laxmi Publication
2. Marketing Management – Philip Kotler , Prentice Hall India , (New edition)
3. Basic Marketing – Perault
4. Fundamentals of Marketing – William Stanton
5. Principles of Marketing – Philip Kotler and Garry Armstrong
6. Marketing Management – Rajan Saxena
7. Marketing Management – Zickmund
8. Marketing – Ramesh Kumar

Human Resource Management

1. Perspectives in HRM : role of HR managers, sub - systems of HRM, HR functions and policies Organization for HRM, Development of HRM in India, Recent trends in HRM, Impact of globalization on HRM.

2. HR Planning, Recruitment and Selection: scope of HR planning, Job analysis, job design Job description and job evaluation, methods of recruitment. Testing for selection of employees, use of psychological test, selection process, interviews errors in selection .

3. Training and Development: induction and Orientation, methods of training, training manual, training under ISO and QS Certification. Supervisory, Executive and Management development programmes. Career development .

4. Performance Management: KRA and KPAs, Traditional vs Modern method of performance management . Potential appraisal, Feed back systems. Job evaluation.

5. Compensation Planning : wages and salary , Administration perks, Fringe benefits, Bonus, Incentives. Compensation surveys. Productivity, Performance linked, Pay structure. Compensation review and structuring .

Suggested Readings:

1. A Textbook of Human Resource Management- R S Dwivedi, Vikas Publications.
2. HR and Personnel Management – Keith Davis
3. Personnel Management – Flippo
4. Human Resource Management – T .V.Rao
5. Human Resource Management – Pattanaik
6. Human Resource Management – Micheal Arms trong
7. Human Resource Management – Gary Desseler

Corporate Finance

1. Goal of the Firm : profit maximization vs wealth maximization, Value creation, Agency problems, Social responsibility, Role of financial management, Time value of money, Valuation of securities– stocks and bonds. Concept of risk and returns of securities, using probability distribution to measure risk, risk and return in portfolio context (using excel) .

2. Capital Budgeting : estimating cash flows – initial , intermediate and terminal Cash flows on incremental basis, Capital budgeting decision rules, Payback, ARR, DCF techniques – NPV, IRR, P I, using excel .

3. Cost of Capital : cost of debt, preferred stock, equity, computing WACC, The CAPM approach, Adjusting WACC for risk. Long–term financing, Public issue of debt , Preferred stock and Common stock ,Term loans.

4. Capital Structure Theories : traditional view vs MM hypothesis, MM position I & II , Capital structure designing in practice – EBIT – EPS analysis the pecking order theory. Dividend decisions, Relevance vs irrelevance of dividends.

5 . Working Capital Management and Finance : cash management, Receivables management and Inventory management. Working capital finance in India.

Suggested Readings:

1. Business Accounting and Financial Management- Subhash Chandra, PHI
2. Fundamentals of Financial Management – Van Horne and Wachowitz
3. Financial Policy and Management – Van Horne , 12th edition .
4. Financial Management – Prasanna Chandra
5. Corporate Finance – Brigham and Erhardt
6. Corporate Finance – Ross, Wetfield & Jaffer

Quantitative Methods

1. Scientific methods: induction, deduction, theory, concepts, constructs, definitions, variables, models, laws, hypothesis, syllogism, levels of abstraction. Fallacies of reasoning. The nature of research in Management, Exercises in writing a research proposal .

2. Principles of research design: types of basic research methods and secondary research methods, sampling design, measurement and measurement scales. Data collection methods, observational studies, experimentation. Qualitative methods of research.

3 . Analysis and presentation of Data: use of statistical techniques, style manuals. Exercises in writing management reports.

4 . Linear programming: types of linear programming, simplex method, primal and dual, sensitivity analysis, resource allocation, production planning, product mix and capital budgeting decisions using softwares.

5. Transportation and assignment problem: sequencing problems, Decision making under risk and uncertainty, decision trees. MS excel solver for all the above models.

Suggested Readings:

1. Research Methodology & Operations Research- H. R. Ramnath, HPH.
2. Business Research Methods – Zikmund
3. Marketing Research – Malhotra N . K.
4. Business Research Methods – Donald R . Coopers and Schindler
5. Foundations of Behavioural Research – F.N . Kerlinger
6. MLA Handbook for Researchers – ML A Association
7. APA Manual
8. Social Research Methods – Bryan
9. Case Study Method of research – Robert K Yin
10. Designing Qualitative research – Marshall and Rossman
11. Research Design & Methods – Kennet G . Bordeaux & Others
12. Marketing Research with SPSS – Corl Mc . Daniel & Gates
13. Marketing Research – Churchil & Lacobucci

Legal Aspects of Business

- 1 . Outlines:** Industries Development and Regulation Act Competition Act (IDRA). Foreign exchange management act. (FEMA) ,
- 2. Outlines:** Company Law, provisions of Indian Companies Act 1956 relating to incorporation, management and administration. Filing of returns, Remedies against mismanagement and oppression. Powers of investigation by the Government, Issues relating to good corporate governance.
- 3. Outlines:** intellectual property rights, Patents and Trade marks Act, copyrights act, geographical appellation.
- 4. Outlines:** security Market Laws, Security and Exchange Board of India Act (SEBI), Securities contract act, Laws pertaining to stock exchanges, SARFESI Act.
- 5. Outlines :** consumer protection act and Information technology act .

Suggested Readings:

1. Business Law for Managers- P. K. Goel, Wiley.
2. A Manual of Business Laws – S.N. Maheshwari and S. K.Maheshwari
3. Business Law for Management – K.R.Bulchandani
4. Business Environment : Texts and Cases – Francis Cherunilam
5. Business and Corporate Laws – S.S.Gulshan and G.K .Kapoor
6. Bare Acts of respective legislations

Operations Management

- 1. Operations Management :** product strategies – Product life cycle –Productive system types – Impact of technology and organization of the operations function – Requirements of forecasting for operations .
- 2. Plant Location and Types of Plant Layout :** product planning and control– Inventory planning and control – Materials requirements planning – Planning production in aggregate terms.
- 3. Job Designing :** work study and time study – Statistical quality control methods – Japanese manufacturing systems – Flexible manufacturing system – Operations systems of the future .
- 4. Total Quality Management:** trends in quality management benchmarking and business process reengineering , Kaizen – Six Sigma Motorola systems – Quality criteria based on Deming prize –Malcolm Baldrige Award . Quality Management Systems , ISO Standards .
- 5. Supply Chain Management :** concept of SCM. Operating model for supply chain . Managing the external and internal supply chain . Global SCM and sourcing .

Suggested Readings:

1. Operations Management and Productivity Techniques- Mukherjee, P. N. , Kachwala, T. T., PHI.
2. Modern Production Management– Buffa Elwood. S and Rakesh K. Saren, John Wiley and Sons, 2003.
3. Production and Operation Analysis – Steven Nahmas
4. Cases in Production / Operations Management – K.N . Krishnaswamy
5. The Benchmarking Management Guide – American Productivity and Quality Center, Productivity Press , USA , 1993 .
6. Total Quality Management – Dale H. esterfield and others – Pearson Education, New Delhi, 2003.
7. Total Quality Management – Pornima Choudhary – Pearson Education – New Delhi, 2002.
8. Total Quality Management – Sridhar Bhatt .
9. Supply chain Management theory and practices – Mohanty and Deshmukh, Biztantra 2005.

Management Information Systems

1.Information Systems : data vs Information, Strategic role of information in management , Organization as an information system. TPS, MIS ,DSS, ESS, OAS, Networking concepts, telecommunications networks.

2. Systems Development: the concept of systems development life cycle (SDLC), Types of SDLC, Use of flow charts.

3.Application Technologies: ERP concepts, Evolution of ERP , ERP packages, SAP , Baan , MFG -PRO, Oracle, ERP Evaluation, ERP and BPR , ERP Implementation , Extended ERP , Case studies.

4. Web Publishing : web publishing , Types of web sites , Web surfing , E -Commerce , B2B , B2C ,C 2 C , E – commerce security issues , Ethical issues

5. Practicals on ERP : . Functional modules in business.

Suggested Readings:

1. Management Information Systems- Dr. P. Mohan, HPH.
2. MIS – Kennett G . Lauden and Jane P . Lauden
3. MIS – James A. O’ Brien
4. MIS- C.S . V.Murthy
5. Computer Today – S.K. Basudev
6. ERP Concepts – V.K. Garg
7. Project Management for business, engineering & technology: principles & practice– Nicholas, John .M & Steynl , Hermann
8. Project Management– Harvey Maylor– 1999 , New Delhi, Macmillan pub
9. www.pmi.org



Master of Business Administration in Finance

Semester III

1. Entrepreneurship
2. Elective - I - Financial Derivatives
3. Elective - II - International Financial Management
4. Project Management
5. Project Work Diary
6. Summer Internship Report
7. Elective - III - Risk Management

Entrepreneurship

1. Foundations of Entrepreneurship : nature of Entrepreneurship, social & cultural factors in nurturing entrepreneurship. Institutional support for promoting entrepreneurship in India, role of Universities & Colleges, CSIR labs . Case study of incubation.
2. Business Planning: from idea generation to preparation of detailed business plans. Exercises in preparation of business plans .
3. Venture Capital: valuing and financing a venture, stages of venture development and financing , venture capital firms (VC ' s) venture expansion strategies.
4. Rural & social entrepreneurship: potential for entrepreneurship in rural India, SHGs, micro credit etc. , Case studies of rural & social entrepreneurship in India .
5. Entrepreneurs in India: family entrepreneurs, women entrepreneurs.

References :

1. Entrepreneurship – Prof. T.V. Rao
2. Entrepreneurship – Hisrich & Peter
3. Entrepreneurship- Mathew J Manimala

Financial Derivatives

Unit 1-

Introduction to Derivatives: forwards , Futures, options, swaps , trading mechanisms, Exchanges, Clearing house (structure and operations, regulatory frame work) , Floor brokers, Initiating trade , Liquidating or Future position , Initial margins , Variation margins, Types and orders. future commission merchant .

Unit 2-

Forward and Future Contracts : forward contracts, futures contracts, Financial futures , Valuation of forward and future prices , Stock index futures, Valuation of stock index futures, Hedging using futures contracts, Hedging using stock index future contracts, Index futures, Adjusting BETA of a portfolio using stock . Interest rate futures and currency futures .

Unit 3-

Options Contracts and Trading Strategies : characteristics of options contracts, trading strategies.

Unit 4-

Valuation of options – graphic analysis of call and put values, characteristics of option values, Models of valuation; Binomial and Black and Scholes model . Option Greeks.

Unit 5-

Commodity future market : forward market commission ; exchanges trading mechanism.

International Financial Management

Unit 1-

International Financial Management: Structure of foreign exchange market: the balance of payments , international monetary system –I.M.F, the nature of global capital flows – FDI, FII , Private equity and hedge funds.

Unit 2-

Exchange rate determination: structural models of exchange rate determination– IRP and PP Parity , exchange rate forecasting . Transfer pricing and netting.

Unit 3-

The foreign exchange market : structure, types of transactions, quotations and Arbitrage. Exchange rate regimes – foreign exchange market in India .

Unit 4-

Measurement of exposure and Risk: classification, transaction,translation and operating exposures. Management of exposures .Hedging , forwards , currency futures, options , swaps and hedging with money market.

Unit 5-

Management of interest rate exposure: FRA interest rate caps and floors. Financial swaps – types-motivation application of swaps . GDR ,ADR .

Suggested Readings-

1. Buckley, Adrian – Multinational Finance , New York , Prentice Hall Inc.m 1996
2. Kim, Sukand Kim, Seung – Global Corporate Finance : Text and Cases, 2nd ed. Miami Florida, Kolb, 1993.
3. Shapiro, Alan C – Multinational Financial Management, New Delhi, Prentice Hall of India1995.
4. International Financial Management by P.G . Apte , Mc Graw Hill.
5. International Financial Management by Jeff Madura.

Project Management

1. Project Management: concepts & key terms, evolution of integrated project management system, aligning projects with organization strategy , effective project portfolio management system, project life cycle, feasibilities of projects-different forms of project contracting.
2. Project Scope Management: defining Project scope , creating work break down structure (WBS) , project roll up , process break down structure , responsibility matrix .
3. Project Scheduling: network models, PERT & CPM using softwares , measuring risk.
4. Project Risk Management : contingency resources, reducing project duration .
5. Project Team Management : building high -performance project teams, managing virtual project teams, project control process. Performance measurement and evaluation , project quality, planning, quality assurance, quality audit, project closure, post completion audit .

References:

1. Project Management by Clifford Gray and Larson.
2. The practice and theory of project management creating value through change – Newton, Richard – 2009, Hampshire, Palgrave Pub.
3. Effective project Management– Clements, James P & Gido Jack – 2006, New Delhi, Cengage Learning.
4. Project Management: Amanagerial approach – Meredith, Jack . R & Mantel Samuel.J – 2006 , New Delhi, John Wiley & Sons.

Risk Management

Unit 1-

Introduction: Concept of Risk & Return- Risk vs. Return for Investors, The Efficient Frontier, The Capital Asset Pricing Model, Arbitrage Pricing Theory, Multi factor Model, Risk vs. Return for Companies, Risk Management by Financial Institutions.

Unit 2-

Trading in Financial Markets- The Markets, Long and Short Positions in Assets, Derivatives Markets, Plain Vanilla Derivatives, Clearing Houses, Margin, Non-Traditional Derivatives, Exotic Options and Structured Products, Risk Management Challenges.

Unit 3-

Managing Risk- Delta, Gamma, Vega, Theta, Rho, Calculating Greek Letters, Realities of Hedging, Hedging Exotic Options, Option Pricing.

Unit 4-

Foreign Exchange Exposure and Risk Management- Exchange rate determination, Foreign currency markets, Foreign currency derivatives, Forwards , futures , options and Swaps, Hedging currency risk.

Unit 5-

Interest Rate Risk- Interest rate derivatives and Swaps, The Management of Net Interest Income, LIBOR and Swap Rates, Duration, Convexity.

References:

1. Risk Management and Financial Institutions by John C. Hull's.



Master of Business Administration in Finance

Semester IV

1. Elective - IV - Financial Engineering
2. Elective - V - Portfolio Management
3. Project Report
4. Elective - VI - Security Analysis and Investment Management
5. Strategic Management
6. Project Viva-voice
7. Elective - VII - Corporate Taxation

Corporate Taxation

1. **Outline of Income Tax Act, 1961: basic Concepts and Definitions, Incidence of Tax, Heads of Income, Exemptions and deductions.**
2. **Computation of Business Income: definitions, Scope, Computation of Profits and Gains from Business or Profession, Deductions, Minimum Alternate Tax , Tax on Distributed Profits .**
3. **Computation of Capital Gains: capital Asset, Transfer, Short Term and Long Term Capital Gain, Cost Inflation Index, Exemptions.**
4. **Set off and Carry Forward: business Loss and Unabsorbed Depreciation, Return of Income, Assessment, Advance Payment of Tax, Tax Deduction or Collection at Source.**
5. **Tax Implications in Business Restructuring.**

Financial Engineering

Unit 1-

Overview of Financial Engineering- An Introduction to Financial Engineering, Factors Contributing to the Growth of Financial Engineering, Environmental factors, intra firm factors, The Knowledge Base of the Financial Engineer- Various skills required by Financial Engineering.

Unit 2-

The Conceptual Tools of the Financial Engineer- Valuation Relationships and Applications Measuring Return, Risk: Portfolio Considerations, Investment Horizons, Leverage, Measuring Risk: Advanced Topics, asset Liability Management, Understanding Interest Rates and Exchange Rates, Valuation of Debt instruments, Speculation, Arbitrage and Market Efficiency, The Corporate Treasurer's Perspective, Why Risk management.

Unit 3-

The Physical Tools of the Financial Engineer- Product Development, Futures and Forwards , Swaps, Single Period Options: Calls and Put, Multiperiod Options: Caps, Floors, Collars, Captions, Swaptions, and Compound Options, Fixed Income Securities, Recent Debt Market Innovations, Equity and Equity Related Instruments, Hybrid Securities.

Unit 4-

Financial Engineering Processes and Strategies- Asset/Liability Management-evolution, Hedging and Related Risk Management Techniques, Corporate Restructuring and the LBO Arbitrage and Synthetic Instruments, Miscellaneous Equity-Based Strategies.

Unit 5-

Future Directions in Financial Engineering- Future Trends: Globalization and Technology Legal Protections for Innovative Financial Products and Services index.

References:

1. Financial Engineering: A Complete Guide to Financial Innovation 1st Edition.

Portfolio Management

Unit 1-

Market efficiency: random walk and the efficient market hypothesis, Empirical testing of Efficient Market Hypothesis (EMH). Portfolio Theory – Capital allocation between the risk free asset, Optimal risky portfolios - Markowitz model Vs Stochastic Dominance Analysis (SDA), Equilibrium in capital markets – Capital asset pricing model, Index models and Arbitrage pricing theory and multi factor models of risk and return .

Unit 2-

Fixed Income Securities : bond Prices and yield – Bond Characteristics and Types, Bond Pricing, Bond yield, Term Structure of Interest rate ,Interest rate risk - interest rate sensitivity, duration, convexity and immunization.

Unit 3-

Fundamental Analysis : economic analysis, Industry analysis, Company analysis, Forecasting company earnings, Valuation of companies.

Unit 4-

Technical Analysis: market indicators, Forecasting individual stock performance, Techniques, Types of charts, Dow theory , Relative strength, Contrary opinion , Moving average, Conference index ,Trading volume, Concept of depth , breadth and resilience of the market.

Unit 5-

Active Portfolio Management : portfolio performance evaluation –measuring investment return , conventional theory of performance evaluation , M^2 and T^2 , market timing , performance attribution procedures, style analysis and morning star 's, risk adjusted rating. Active portfolio construction using Treynor – Black model.

Security Analysis and Investment Management

Unit 1-

Investments: Concept and Features- Micro- and Macroeconomic Concepts Relating to Investment Objectives, Investment and Speculation, Investment and Gambling, Investment Constraints, Investment Process, Security Analysis, Financial and Non-Financial Forms of Investment, Philosophy of Individual and Institutional Investors, Investment Opportunities, Investment Environment, Sources of Investment Information, Nature of Security and Investment Analysis, Process of Investment Decisions, Financial Markets and Investments, Investment Management, Behavioural Finance and Investment.

Unit 2-

Investment Avenues- Classification of Securities, Mutual Funds, American Depository Receipt, Indian Depository Receipt (IDR), Commodities, Real Assets, Real Estate, Rural Savings, Arts & Curios, Antiques, Basis of Selection of Securities, Risk Perceptions in Securities.

Unit 3-

Depository System and Listing of Securities- Need for Depositories, Depository Process, Depository Participants, Formalities for Opening Demat Account, Role of DPs, Cost of Demat Process, Advantages and Disadvantages of Demat Account, Precautions and Safeguards, Rematerialisation Process, Listing of Securities, Listing Process, Delisting of Securities, Recent Developments.

Unit 4-

Futures and Options- Derivatives Market, Advantages of Options, Forward, Futures and Options, Black Scholes Option Pricing Model, Factors Affecting Option Price, Futures, Contract Specifications, Futures in Indian Stock Market, Selection of Index for Futures, Benefits of Index Futures, Trading in Futures and Options.

Unit 5-

Risk and Return- Definition of Risk, Risk and Exposure, Characteristics of Risk, Types of Risks, Risk in Investment, Risk Avoidance, Minimizing the Risk Exposure, Contemporary Risks Models, Measurement of Returns, Assets Allocation Strategies, Diversification Strategies.

Unit 6-

Multifactor Risk and Return Models- CAPM Theory, Security Market Line, Multifactor Model of Risk and Return, Other Multifactor Model of Risk and Return.

Unit 7-

Efficient Market Hypothesis- Basic Concepts, Random Walk Theory, Weak Form of EMH, Predictability of Stock Returns – Empirical Evidences, Semi –Strong Form of EMH, Strong Form of EMH, Indian Experience, Market Inefficiencies, Maximization of Efficiency in a Market.

Unit 8-

Company, Equity and Bond Valuation- Company Valuation- Need for Valuation, Fundamental Principles of Valuation, Valuations Models, DCF Model, Illustration: Valuation of India Cements using DCF Model, EVA and MVA Models, Use of Real options in Valuation, Effects of Undervaluation and Overvaluation, Distress Valuation. Equity- Return, Multiple Holding Period, Intrinsic value vs Market Value, Tradition Valuation Methods. Bond- Bond Basics, Characteristics of Bonds, Bond Markets, Bond Risk, Time Value Concept, Bond Returns, Bond Yield and Yield to Maturity, Day Count Conventions, Term Structure and Interest Rates, Bond Value Theorems, Duration and Convexity, Riding the Yield Curve, Immunization.

Unit 9-

Technical and Fundamental Analysis- Basic Principles of Technical Analysis, Advantages of Technical Analysis, Criticism Against Technical Analysis, Technical Price Forecasting, Various Technical Indicators, Dow Theory, Elliot Wave Theory, Volume as Confirmation, Chart Patterns, Various Forms of Charting, Trend Reversal, Bullish Falling Wedge in an Uptrend, Neural Network Analysis, Technical Chart Software, Difference between Fundamental Analysis and Technical Analysis. Economic Analysis, Industry Analysis, Factors Affecting industrial Performance, Company Analysis, Financial Health.

Unit 10-

Portfolio Construction- Fundamental Principles of Portfolio Management, Portfolio Theory, Portfolio Management : Traditional and Modern Approaches, Portfolio Creation, Portfolio Risk Management through Diversification, Beta in Portfolio Selection, Uncertainty of Real Returns and Purchasing Power Risk, Purchasing Power Parity, Combination of Equity and Debt, Portfolio of Commodities, Portfolio Churning, Portfolio Hedging, Traditional Portfolio Analysis, Modern Analytical Approach, Portfolio Performance Analysis, Measuring Portfolio Efficiency.

Unit 11-

Markowitz Model- Simple Diversification, Problems of Diversification, The Markowitz Model, Three Security Portfolios, Markowitz Efficient Frontier.

Unit 12-

Sharpe Portfolio Optimisation Model- Sharpe's Performance Index, Sharpe's Single Index, Sharpe's Optimal Portfolio, Construction of the Optimal Portfolio, Optimal Portfolio with Short Sales.

Unit 13-

Portfolio Evaluation- Performance Evaluation, Mutual Funds, Sharpe's Performance Index, Treynor's Performance Index, Jensen's Performance Index.

Unit 14-

Portfolio Revision and Management- Portfolio Revision, Formula Plans, Rupee Cost Averaging, Constant Rupee Plan, Constant Ratio Plan, Variable Ration Plan, Dollar Cost Averaging, Portfolio Revision and Transaction Cost, Equity and Derivative Portfolios, Equity and Debt Portfolios, Managing Portfolio of Individuals, Managing Portfolio Corporate Clients, Management of International Portfolios, Future of Portfolio Management in India.

Suggested Readings-

1. Security Analysis and Portfolio Management by K Sasidharan and Alex K Mathews.

Strategic Management

Unit 1-

Overview of strategic management: origin of strategy, strategy vs structure, elements of business strategies, Strategic Management process.

Unit 2-

Environmental Analysis: Strategically relevant components of internal and external environment, Industry and competitive analysis, analysis of resources and competitive capabilities, environmental scanning techniques.

Unit 3-

Establishing organizational direction– developing strategic vision, mission and setting objectives. Strategic intent and the concept of strategic pyramid, corporate ethics and social responsibility.

Unit 4-

Generic competitive strategies– stability, expansion, retrenchment, conglomerate and their variants. Strategic and competitive advantage, new business models for global and internet economy, Strategy clusters and models relating to portfolio analysis .

Unit 5-

Strategy implementation– building core competencies and competitive capabilities, developing policies and procedures for implementation. Designing and installing supporting and rewarding systems. Evaluating and monitoring implementation.

Suggested Readings-

1. Strategy and Structure – Alfred C .Chandler
2. Strategic Management – Alex Miller and Irwin
3. Competitive Advantages: Creating and Sustaining, Superior Performance– Michael E .Porter
4. Competing for the future – Prahlad and Hammel
5. The Future of Competition– Prahlad and Venkataraman
6. Crafting and executing Strategy – Aurthor A . Thompson and others
7. The Art of Strategy– Avinash K. Dixit and Barry J. Nalebuff