

**CURRICULUM AND SYLLABI FOR  
BACHELOR OF FINANCIAL MARKETS (BFM)**



**MAHATMA GANDHI UNIVERSITY  
PRIYADARSHINI HILLS P O  
KOTTAYAM, KERALA  
2020**

**(Effective from 2020-2021 admissions)**

## **Scheme and Structure of BFM Degree Programme**

### **1. Aim of the Programme**

The broad aim of the programme is to provide awareness to the learners regarding theoretical and practical knowledge of planning, organizing, monitoring, directing and controlling the capital resources of an organization or company in an efficient way and to equip them with basics of trading and its regulation, market forces, demand and supply which are an essential part of finance in any organization

### **2. Eligibility for Admissions**

Admission to Bachelor of Financial Markets Programme shall be open only to candidates who have passed the Plus Two of the Higher Secondary Board of Kerala or Board Examinations in any State recognised as equivalent to the Plus Two of the Higher Secondary Board in Kerala, with Book Keeping and Accountancy and any two of the following subjects, (1) Commerce (2) Commercial Correspondence and Commercial Geography (3) Economics (4) Life Insurance with Salesmanship (5) Banking with Secretarial Practice (6) Business Studies (7) Mathematics (8) Computer Science (9) Computer Application (10) Informatics Practice and (11) Management as optional under Part III of the Examination.

OR

Candidates who have passed Plus Two or equivalent examination recognised by this University with other subjects under Part III optionals, provided they have secured 45% of the aggregate marks or an examination accepted by the University as equivalent thereto subject to the restrictions regarding marks as mentioned above. Relaxation in percentage of marks is allowed for SC/ST, OEC, SEBC and Physically Challenged students as prescribed by University from time to time.

### **3. Duration and nature of the Programme**

The programme shall be spread over six semesters with each semester having duration of 90 days. The programme will be a model III degree programme.

**4. Medium of Instruction and Assessment**

The medium of instruction shall be English. There shall be continuous assessment of the students on an internal basis based on the provisions of the Regulations and end semester examinations conducted by University. The final assessment shall be based on both the above components in accordance with the provisions of the Regulations.

**5. Faculty Under Which the Degree is Awarded (Suggestion)**

The Degree is awarded under the Faculty of Commerce

**6. Note on Compliance with the UGC Minimum Standards for the Conduct and Award of Graduate Degree**

The programme is offered in accordance with the UGC Minimum Standards for the conduct and award of Graduate Degrees. The student has to secure 120 credits to complete the programme successfully

**7. Programme Specific Outcome**

BFM degree programme offered by the University is outcome based and the outcomes expected are as follows:

<b>PSO1</b>	Offers theoretical and practical knowledge of managing the capital resources of an organization or company in an efficient way
<b>PSO2</b>	Provide analytical skill and facilitate study of financial markets, basics of trading and its regulation, market forces, demand and supply
<b>PSO3</b>	Understand the risks, returns as well as legal parameters of a financial market
<b>PSO4</b>	Develop awareness & understanding of the role and structure of the financial system and its components
<b>PSO5</b>	Observe and interpret financial markets to uncover potential opportunities
<b>PSO6</b>	Apply best practices to create, evaluate and rebalance financial portfolios to achieve investment outcomes
<b>PSO7</b>	Enhance the professional and communication skills of students and acquire the ability to pursue careers in the ever growing field of finance and financial markets

## Semester-wise details of the programme

### Semester I

Sl.	Corse Code	Course Name	Type	Credit	Hour
1		English -I	Common Course I	4	5
2		Introduction to Financial Market	Core	4	5
3		Introduction to Capital Market	Core	4	5
4		Economics for Finance	Complementary	3	5
5		Legal and Regulatory Framework of Financial Market-I	Core	4	5
				<b>19</b>	<b>25</b>

### Semester-II

Sl.	Course Code	Course Name	Type	Credit	Hour
1		English - II	Common Course I	4	5
2		Financial Accounting	Core	4	5
3		Risk and Return in Investment Decisions	Core	4	5
4		Business Economics	Complementary	3	5
5		Legal and Regulatory Framework of Financial Market-II	Core	4	5
				<b>19</b>	<b>25</b>

### Semester-III

Sl.	Course Code	Course Name	Type	Credit	Hour
1			Core		
2			Core		
3			Core		
4			Core		
5			Core		

Course Code	
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**Semester –IV**

Sl.	Course Code	Course Name	Type	Credit	Hour
1			Core		
2			Core		
3			Core		
4			Core		
5			Core		

**Semester V**

Sl.	Course Code	Course Name	Type	Credit	Hour
1			Core		
2			Core		
3			Core		
4			Core		
5			Open Course		

**Semester VI**

Sl.	Course Code	Course Name	Type	Credit	Hour
1			Core		
2			Core- Choice Based		
3			Core		
4			Core		
5			Core		
6			Core		

Title of the Course	<b>INTRODUCTION TO FINANCIAL MARKETS</b>
Semester	<b>One</b>
Type	<b>Core</b>
Credits	<b>4</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the Course:** To give the students a basic understanding of the Indian financial market, to familiarize students with Money Market and its sub markets and the regulatory framework in the Indian Financial system.

<b>Course Outcome No:</b>	<b>Expected Course Outcome</b>	<b>Cognitive Level</b>
1	To provide an overview of Indian Financial Market	Understand
2	Help students to understand the role of money market in the development of the economy	Understand
3	Enable the students to understand the role of central bank in the operation of money market	Understand
4	To get a basic understanding of different Financial Institutions in the Indian Financial System and their functions	Understand
5	Familiarization about the regulatory framework in Financial Market	Understand

#### **Unit wise arrangement of the course**

<b>Module</b>	<b>Sl. No. of Units</b>	<b>Contents of the unit</b>	<b>Remarks</b>
<b>Module 1-Introduction to Indian Financial Market-15 hours</b>			
1	1.1	The Indian Financial Markets- Meaning and Components - Structure of Financial Markets in India - Types of Markets: Equity, Debt, Derivatives, Commodities	Theory
	1.2	Role of Participants in the Financial Markets - Regulators in the Indian Financial Market - Recent Developments in the	Theory

		Indian Financial System	
<b>Module 2- Classification of Financial Markets-15 hours</b>			
2	2.1	Financial Markets- Organised, Unorganised	Theory
	2.2	Capital Market- Evolution and growth of Capital Market - Significance and Functions of capital market	Theory
	2.3	Industrial Securities Market, Government Securities market	Theory
	2.4	Capital market instruments - Recent trends in Indian Capital Market	Theory
<b>Module 3- Money Market - 25 hours</b>			
3	3.1	Money Market – An Overview -Definition-Importance- Functions, Organization and Structure	Theory
	3.2	Difference between Capital Market and Money Market- Sub markets of money market - Features of a developed money market	Theory
	3.3	Money Market Instruments- Classification of Money Market Instruments-Conventional Vs Modern money market instruments. Government and Quasi-Govt. Securities: Treasury Bills ,Govt. Dated Securities/Gilt Edged Securities	Theory
	3.4	Banking Sector Securities -Call and Notice Money - Term Money Market -Certificates of Deposit - Participation certificates - Banker's Acceptance	Theory
	3.5	Private Sector Securities - Commercial Papers, Bills of Exchange, Inter Corporate deposits/Investment, Money Market Mutual Funds, Bonds/Debentures by the corporate	Theory

	3.6	Role of Money Market in Economy - Promotion of saving and Investment - Capital Allocation - Risk Sharing – Liquidity – Diversification - Recent developments	Theory
	3.7	Reforms in Indian Money Market - Deregulation of Interest rates-Establishment of DFI and CCIL-Liquidity Adjustment Facility (LAF)	
	3.8	Securitization – Asset backed securities(ABS)-Mortgage backed securities(MBS)	
<b>Module 4- Financial Institutions-25 hours</b>			
4	4.1	Financial Institutions: Meaning - Characteristics - Broad Categories, Role of Financial Institutions in a Financial System	
	4.2	Regulatory and Promotional Institutions: RBI - Central Banking Functions, Roles of RBI, Money Creation: Process and Control, Monetary Policy, Techniques Of Monetary Control, Liquidity Adjustment Facility.	Theory
	4.3	Role of Central Bank in Money Market Operations - Monetary Stability and Stable Payment System - Note issue - Government banker - Bankers bank - Supervising authority - Exchange control authority - Promoter of financial system	Theory
	4.4	Regulator of money and Credit - Liquidity adjustment facility-Statutory liquidity ratio. - Cash reserve ratio-Refinance-Bank rate-Open market operations-Repos/ Reserve Repos	Theory
	4.5	Banking Institutions: Commercial Banking: Basis Of Banking Operations ,Role of Banks, Non Banking Finance Companies: Nature, Importance, Evolution of Finance Companies,	Theory



	4.6	Insurance Companies, Provident Funds and Pension Funds, Venture Capital Funds	Theory
	4.7	Developmental Financial Institutions-IFCI-IDBI-NABARD-SFC	Theory
<b>Module 5 -Regulatory Framework of Indian Financial System-10 hours</b>			
5	5.1	Indian Financial System -Regulatory framework	Theory
	5.2	Role of Regulators in India: Ministry of Corporate Affairs, Stock Exchange, Registrar of Companies, AMFI, SEBI, RBI, IRDA, PFRDA	Theory
	5.3	Investor Grievances and Arbitration	Theory

**Suggested assignment:**

report reforms in Indian money market.

- Identify any two financial institutions in our country and evaluate the role they play in the financial sector of our country.

**Suggested readings:**

- Kohn, Meir, “*Financial Institutions and Markets*”, Tata McGraw Hill.
- Bhole, L M, “*Financial Institutions and Markets*”, Tata McGraw Hill.
- Srivastava, R M, “*Management of Indian Financial Institutions*”, Himalaya Publishing.
- Gursamy, S., “*Financial Markets and Institutions*”, Thomson.
- Pathak, Bharati, “*Indian Financial System*”, Pearson Education, New Delhi
- Financial Markets: A Beginners’ Module, Workbook from NSE

Identify and

Course Code	
Title of the Course	<b>INTRODUCTION TO CAPITAL MARKETS</b>
Semester	<b>One</b>
Type	<b>Core</b>
Credits	<b>4</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the Course:** To familiarise the students with the mechanism of capital market operations , to provide an understanding of the primary market operations, to acquaint them with the practical aspects of share trading , stock exchange and depository system and to create an awareness about SEBI.

<b>Course Outcome No:</b>	<b>Expected Course Outcome</b>	<b>Cognitive Level</b>
1	To get an understanding of Indian Securities Market	Understand
2	Familiarize the students with the events and players in primary and secondary market	Understand
3	To get a basic understanding of different intermediaries in the market	Understand
4	To get a basic awareness on the SEBI -Regulations for Issue and Listing.	Understand

#### **Unit wise arrangement of the course**

<b>Module</b>	<b>Sl. No. of Units</b>	<b>Contents of the unit</b>	<b>Remarks</b>
<b>Module 1-Introduction to Securities Market—15 hours</b>			
1	1.1	Introduction to Securities and Securities Market, Securities- Definition and Features	Theory
	1.2	Structure of Securities Market - Market Participants and their activities	Theory
	1.3	Kinds of Transactions - Role of Securities Markets as Allocators of Capital	Theory

	1.4	Types of Securities-Equity and Debt Securities- Features of Equity Capital- Ownership securities -Type of Debt instruments- Benefits of investing in Debt instruments- Hybrid Instruments - ADR,GDR,IDR	Theory
	1.5	Reforms in Indian securities markets	Theory
<b>Module 2 -Primary Market- 15 hours</b>			
2	2.1	Primary market-Definition and Functions	Theory
	2.2	Eligibility to issue securities -Types of Issues-IPO,FPO,E-IPOs	Theory
	2.3	Issuers - Regulatory Framework for Primary Markets - Types of Investors	Theory
	2.4	Methods of Floating new issues-Public issue, Private placement, Bonus issue, Right issue, ESOP- Types of Offer Document - Pricing a Public Issue of Shares-Fixed versus Book Building issue	Theory
	2.5	Public Issue Process - Prospectus - Applying to a Public Issue	
	2.6	Listing of Shares	Theory
<b>. Module 3-Market Intermediaries-20 hours</b>			
3	3.1	Intermediaries in the New Issue Market- Role and Functions- Merchant bankers, Stock brokers, Registrar, Underwriters, Banker to an issue, Depository	Theory
	3.2	Role of the clearing agency / corporation/house - Clearing banks and their function - clearing members /custodians - clearing process	Theory
	3.3	Depositories and Depository Participants- Functions of a Depository-Depository-SpecialServices Pledging/Hypothecation, Securities Lending and Borrowing, Corporate Actions, Public Issues.	Theory
	3.4	Working procedure of Depository system in India- Dematerialization and Dematerialization of securities	Theory

	3.5	Members of a Stock Exchange	Theory
<b>Module 4-Secondary Market- 20 hours</b>			
4	4.1	Secondary market-Meaning-Role and Functions of the Secondary Market	Theory
	4.2	Market Structure and Participants	Theory
	4.3	Process of trading in a Stock exchange-Trade Execution-Settlement of Trades-Transaction cycle	Theory
	4.4	Determination of settlement obligations- Equity segment - Settlement of funds - Settlement of securities - Corporate actions adjustment - Auction of securities	Theory
	4.4	Methods of trading in a stock exchange-Online Trading, -Internet Based Training(IBT)- Securities Trading using Wireless Technology- Concept of Margin Trading	Theory
	4.5	Market Information and Regulation - Risk Management Systems - Rights, Obligations and Grievance Redressal	Theory
	4.6	Major stock exchanges - India and International- Stock Market Indices-Significance of Index -Major Indices in India	Theory
<b>Module 5- SEBI -Regulations for Capital Market. -20 hours</b>			
5	5.1	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (overview only)	Theory
	5.2	Compliances under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (overview only)	Theory

**Suggested assignment:**

- Identify any company which is coming up with IPO and track its pricing and issue procedures. Also study of the performance of the security in secondary market for at least a month.
- Identify three companies each in five prominent sectors in India and analyse the trend in their price movements over a month.

**Suggested readings:**

- Choudhry, Moorad, (2002), Capital Market Instruments, Prentice Hall.

- ED Madhusoodanan, (2008), Indian Capital Markets, Quest Publications.
- Gurusamy,(2009), Capital Markets, 2nd Edition, Tata McGraw Hill
- E Gordan & K. Natranjan, Capital Market in India; Himalaya Publishing House
- Sanjeev Aggarwal. Guide to Indian Capital Market; Bharat Law House
- Capital Market (Dealers) Module, Workbook from NSE.

Course Code	
Title of the Course	<b>ECONOMICS FOR FINANCE</b>
Semester	<b>One</b>
Type	<b>Complementary</b>
Credits	<b>3</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the Course:**

To enable the students to have a basic understanding of money and the policies regulating its circulation in a country.

**Course Outcome**

<b>Course Outcome No.</b>	<b>Expected Course Outcome</b>	<b>Cognitive Level</b>
1	Familiarize students with elementary aspects of money	Understand
2	Understand the concept of money supply and circulation	Understand and Evaluate
3	Get acquit with the meaning and operative mechanism of monetary policies	Understand and Evaluate
4	Enable the students to understand public finance and public revenue	Understand and Evaluate
5	Familiarize students with public debt and fiscal policies	Understand and Evaluate

### Unit wise arrangement of the course

Module	Sl. No of Units	Contents of the Unit	Remarks
<b>Module 1 Money- 15 Hours</b>			
1	1.1	Definitions, Functions and Classifications- Gresham's Law	Theory
	1.2	Role of money in various economies- Value of money- quantity of money	Theory
	1.3	Theories of Demand for money- Classical theory of demand for money- Irving Fisher -Cambridge versions	Theory
	1.4	Keynesian version of liquidity preference- Post-Keynesian theories-James Tobin and WilliamJ.Baumol model	Theory
	1.5	Friedmn's restatement of Quantity Theory- The Income theory of money	Theory
<b>Module 2 Money Supply hours - 20 Hours</b>			
2	2.1	Factors influencing money supply- Measurement of money supply	Theory
	2.2	Concept of money multiplier- effect of government spending on money supply- Price level and money supply	Theory
	2.3	Mechanistic model of Money Supply – Behaviour model	Theory
	2.4	Inflation- Types of inflation- Causes of inflation- Effects of inflation on economy and various sectors- remedies- Stagflation – Deflation	Theory
<b>Module-3 Monetary Policy- 20 Hours</b>			
	3.1	Meaning – Monetary Policy Framework-	Theory

3		Objectives and Analytics of Monetary Policy	
	3.2	Instruments and operating procedure- -direct and indirect instruments	Theory
	3.3	Effectiveness of monetary measures- Monetary Policy framework agreement in India- Monetary Policy Committee	Theory
<b>Module 4- Public Finance - 20 Hours</b>			
4	4.1	Meaning- Fiscal Functions- Distinction between Private and Public Finance	Theory
	4.2	Public goods, Private Goods - Principle of Maximum Social Advantage	Theory
	4.3	Modern theory of public Finance- Public Expenditure - Classification - Wagner's Law	Theory
	4.4	Public Revenue - Sources - Distinction between Tax Revenue and Non-Tax Revenue	Theory
	4.5	Taxation – Classification of taxation - Canons of taxation- Theories of Taxation - Impact and incidence of Taxation- Important taxes in India	Theory
<b>Module 5 – Public Debt and Fiscal Policy - 15 hours</b>			
5	5.1	Public Debt - Sources - Effects of Public debt Deficit financing - Meaning – objectives	Theory
	5.2	Federal Finance - Principles - Center and state Financial Relationship	Theory
	5.3	Finance Commissions in India	Theory
	5.4	Fiscal Policy- Objectives of Fiscal Policy- Instruments of Fiscal Policy	Theory



	5.5	Types of Fiscal Policy- Impact of Fiscal Policy- Limitations of Fiscal Policy	Theory
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### References

1. Singh.S.K. (Ninth edition) *Public Finance in Theory and Practice*. New Delhi: S Chand Publications.
2. Taylor, Philip E. *Economics of public finance*.MacMillan.
3. Bhatia. H.L. (twenty-sixth edition). *Public finance*. New Delhi: Vikas Publishing House Pvt.Ltd.
4. Gupta, Janak. (2nd Revised & Enlarged edition). *Public economics in India: Theory and practice*.Atlantic.
5. N. Jadhav, Monetary Policy, Financial Stability and Central Banking in India, Macmillan, 2006.
6. Gupta, S.B. (1994), *Monetary Economics*, S. Chand and Co.,Delhi.
7. Monetary Economics: M.L Seth
8. B.P. Tyagi., Public Finance, Jai Prakash Nath & Co., Meerut
9. Harvey Rosen, Public Finance, McGraw Hill, NewYork.
10. Study Material of ICAI- Intermediate.

Course code	
Title of the course	<b>LEGAL AND REGULATORY FRAMEWORK OF FINANCIAL MARKETS - I</b>
Semester	<b>One</b>
Type	<b>Core</b>
Credits	<b>4</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the course:** To inform the students about the elementary ideas and the logic of the corporate law and the laws relating to securities and their legal structure

<b>Course Outcome No:</b>	<b>Expected Course Outcome</b>	<b>Cognitive level</b>
1	Acquire knowledge about various types of companies, major documents and prospectus of companies	Understand and remember
2	Able to understand membership in companies, meetings and winding up of companies	Understand and remember
3	Understand the provisions of Securities Contract Regulation Act 1956	Understand and remember
4	Able to understand the provisions of Depositories act 1996	Understand and remember
5	Acquire knowledge about SEBI act 1992	Understand and remember

#### **Unit wise arrangement of the Course**

<b>Module</b>	<b>Sl. No. of units</b>	<b>Contents of the unit</b>	<b>Remarks</b>
<b>Module 1 - Companies Act 2013 – 20 hours</b>			
		Company and its formation : Definition and	

1	1.1	Nature of Company- Advantages and Disadvantages of a Company- Promoters and preliminary contracts	Theory
	1.2	Types of Companies- Documents and procedure for Incorporation of Company- Effect of Incorporation.	Theory
	1.3	Memorandum of Association and Articles of Association: Meaning- Concept- Clauses- effects of alteration of Memorandum and articles	Theory
	1.4	Doctrine of Ultra Vires, Doctrine of Indoor Management- and Doctrine of Constructive Notice- Lifting of Corporate Veil.	Theory
	1.5	Prospectus: Meaning- When to be issued- When not required- Various kinds of prospectus- Contents of Prospectus- liability for misstatement in prospectus	Theory
	1.6	Share capital: Issue of shares- redemption of preference shares- bonus shares- Private Placements	Theory
<b>Module 2 - Companies Act 2013 – 20 hours</b>			
2	2.1	Membership of a company and meetings: Who can become member- Modes of acquiring membership- Cessation of membership- Rights and Liabilities of members.	Theory
	2.2	Classification of Directors- Disqualification of a director- Director Identification Number- appointment- Legal position- Powers and Duties- Position of director Managing Director- manager.	Theory
	2.3	Various types of meeting of shareholders and board- Convening and Conduct of meetings-	Theory

		Postal Ballot- Meetings through Video Conferencing- E-voting	
	2.4	Winding up of companies: meaning- contributory- modes of winding up- winding up by tribunal- liquidator- appointment- powers and liabilities of liquidator in compulsory winding up- effects of winding up order	Theory
	2.5	Voluntary winding up- circumstances- declaration of solvency- appointment of company liquidator- powers and functions of company liquidator- winding up of unregistered companies	Theory
<b>Module 3 - Securities Contract Regulation Act 1956- an overview – 20 hours</b>			
3	3.1	Securities Contract Regulation Act 1956: meaning of securities- derivatives – Grant of recognition to stock exchanges	Theory
	3.2	Corporatisation and demutualisation of stock exchanges- Clearing corporation- power of stock exchanges	Theory
	3.3	Contracts in securities - Additional Trading Floor - Contract in certain areas to be void - Power to Prohibit Contracts in Certain Cases - Licensing of dealers in certain areas	Theory
	3.4	Listing of securities- condition- delisting- Procedure and powers of Securities Appellate Tribunal- cancellation of recognition- penalties and procedure- title to dividends	Theory
<b>Module 4 - Depositories Act 1996- Major Provisions – 15 hours</b>			
		Depositories act 1996: meaning- beneficial owner, board, depository, issuer, participant,	Theory

4	4.1	registered owner, Securities Appellate Tribunal, security	
	4.2	Certificate of commencement of business- rights and obligations of depositories, participants, issuers and beneficial owners- services of depository- surrender of certificate of security-	Theory
	4.3	Power of board (SEBI)- penalties and offences	Theory
<b>Module 5- Securities and Exchange Board of India Act 1992- An Overview– 15 hours</b>			
5	5.1	Securities and Exchange Board of India act 1992: Establishment of SEBI- SEBI- Objectives- Functions and Powers	Theory
	5.2	Securities and Exchange Board of India act 1992: Meaning- incorporation of board- management of board- term of office- removal of member from office- meetings	Theory
	5.3	Prohibition of manipulative and deceptive Devices, insider trading and substantial Acquisition of securities or control	Theory
	5.4	Powers and functions of the board- penalties- security Appellate tribunal and its establishment- appeals and revision	Theory

**Suggested assignments:**

- Preparation of prospectus of an imaginary public company
- Drafting of Memorandum of Association, Drafting Articles of Association.
- Drafting Notice of Company Meetings – Annual, Special, Extraordinary and Board meetings.

**Suggested readings:**

- Shukla, M.C., & Gulshan, Principles of Company Law, S.Chand, New Delhi.
- Venkataramana, K., Corporate Administration, Seven Hills Books Publications.
- Kapoor, N.D., Company Law and Secretarial Practice, Sultan Chand, New Delhi.

- Bansal C.L., Business and Corporate Law, Vikas Publishers, New Delhi.
- Bhandari, M.C., Guide to Company Law Procedures, Wadhwa Publication.
- S.N. Maheswari and S.K. Maheswari, Elements of Corporate Law, Himalaya Publications,
- Kuchal, S.C., Company Law and Secretarial Practice, Vikas Publishers, New Delhi

### **References**

- Companies act 2013
- Securities Contract Regulation Act 1956
- Depositories act 1996
- Securities and Exchange Board of India act 1992

Course Code	
Title of the Course	<b>FINANCIAL ACCOUNTING</b>
Semester	<b>One</b>
Type	<b>Complimentary</b>
Credits	<b>4</b>
Hours	<b>5 Hours per week and total 90.</b>

**Objective of the Course:** To develop and enhance basic knowledge on double entry system of accounting and also to provide a working Knowledge to students on preparation of financial statements, Bank Reconciliation Statement and also to familiarize the students with recent trends in accounting.

Course Outcome No	Expected Course Outcome	Cognitive Level
1	Develop basic understanding about Accounting	Understand and Apply
2	Develop a deeper understanding about Journal and Ledger	Understand and Apply
3	Acquaint the practical knowledge to prepare financial statements	Understand and Apply
4	To familiarize students with valuation of shares and goodwill.	Understand and Apply
5	To provide understanding about theoretical and practical aspects of Accounting Standard – 10 and to apply the same in different practical situations.	Understand and Apply

#### Unit wise arrangement of the course

Module	Sl. No. of Units	Contents of the unit	Remarks
<b>Module 1- Accounting-15 hours</b>			
1	1.1	Introduction, meaning, Objectives of Accounting, Book keeping and Accounting	Theory
	1.2	Accounting Principles- Concepts and Conventions	Theory
	1.3	Double Entry System- Books of Accounts- Accounting	Theory and

		Equation- Golden Rule of Accounting	Problem
	1.4	Branches of Accounting -Accounting Standards-IFRS and GAAP	Theory
<b>Module 2 - Journal, Ledger and Trial Balance -20 hours</b>			
2	2.1	Journalising: Meaning- Journal Entry- Simple and Compound Entries- opening Entry	Theory and Problem
	2.2	Ledger-Form of an Account -Posting - Balancing of Accounts	Theory and Problem
	2.3	Trial Balance: Meaning - Objects-Preparation	Theory and Problem
<b>Module 3- Final Accounts-20 hours</b>			
3	3.1	Final Accounts: Meaning and Components	Theory
	3.2	Trading Account: Meaning, Preparation	Theory and Problem
	3.3	Profit and Loss Account: Meaning, Preparation	Theory and Problem
	3.4	Balance Sheet: Meaning, Preparation	Theory and Problem
	3.5	Notes to Financial Statements	Theory
<b>Module 4- Valuation of Shares and Goodwill - 20 Hours</b>			
4	4.1	Goodwill: Meaning, Definition	Theory
	4.2	Valuation of Goodwill: Methods of valuation, Practical Problems	Theory and Problems
	4.3	Shares: Meaning, Definition, Types	Theory
	4.4	Valuation of Shares: Methods of valuation, Practical Problems	Theory and Problems
<b>Module 5- AS 10- Accounting for property, plant and</b>			



<b>equipment -15 Hours</b>			
5	5.1	Objectives – Scope – Definitions Initial Costs - Subsequent Costs	Theory
	5.2	Measurement at Recognition - Elements of Cost - Measurement of Cost - Measurement after Recognition - Cost Model - Revaluation Model	Theory and Problems
	5.3	Depreciation - Depreciable Amount and Depreciation Period - Depreciation Method	Theory and Problems
	5.4	Changes in Existing Decommissioning - Restoration and Other Liabilities	Theory and Problems
	5.5	Impairment - Compensation for Impairment - Retirements - Derecognition	Theory and Problems
	5.6	Disclosure	Theory

### **Suggested assignments:**

- Evaluate the value of shares of any three companies of your choice and compare it with actual market price.
- Analyse the fixed assets schedule in the annual report of any 5 listed companies and make a note of the compliance of the same with regards to application and disclosure requirements mentioned in AS-10.

### **Suggested readings**

- Jain, S.P., & Narang, K.L., Advanced Accountancy, Kalyani Publishers, New Delhi
- Maheshwari, S.N., & Maheswari, S.K., Advanced Accountancy, Vikas Publishing House, New Delhi.
- Shukla, M.C., & Grewal, T.S., Advanced Accountancy, S Chand and Company (Pvt.) Ltd, New Delhi.

- Ashok, Sehgal, & Deepak Sehgal, Financial Accounting Taxmann Allied Service (Pvt.) Ltd, New Delhi.
- MA Arulanandam and KS Raman, Advanced Accountancy, Himalaya Publications, Mumbai.
- Paul, S. K., & Chandrani, Paul, Advanced Accountancy, New Central Book Agency, New Delhi.
- Raman B S, Financial Accounting- United Publishers
- The Chartered Accountant (Journal), Institute of Chartered Accountants of India, New Delhi.

Course Code	
Title of the Course	<b>RISK AND RETURN IN INVESTMENT DECISIONS</b>
Semester	<b>One</b>
Type	<b>Core</b>
Credits	<b>4</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the Course:** To familiarize the students with general factors taken into consideration during investment decision process

Course Outcome No.	Expected Course Outcome	Cognitive Level
1	Familiarize students with the basics of investment, interest calculation, equated monthly installment schemes and asset classification	Understand and Apply
2	Understand the concept of time value of money and its effective application in investment decision process	Understand and Apply
3	Enabling students to differentiate different types of return while evaluating different investment options	Understand and Apply
4	Create an awareness among students regarding different types of risk involved in investment	Understand and Apply
5	Familiarizing the students with basic idea leading to rational investment decisions	Understand
6	Understand and to evaluate the alternative forms of investment	Understand

#### Unit wise arrangement of the course

Module	Sl. No of Units	Contents of the Unit	Remarks
<b>Module 1- Introduction to Investment-15 hours</b>			
	1.1	Investment- Investment decision process-Savings-Borrowing- Investment-Speculation- Savings Vs Investment- Investment Vs	Theory

1		Speculation, Investment Vs. Borrowings- Need for investment- Objectives of investment	
	1.2	Interest Rate- Factors determining interest rate- Calculation of Simple interest and Compound Interest	Theory and Problem
	1.3	Calculation of Equated monthly installment monthly installments- Fixed and floating interest rates	Theory and Problem
	1.4	Types of asset -Financial assets Vs Non financial asset- Features and characteristics of various asset classes- Safety, Liquidity and Return	Theory
<b>Module 2 - Time Value of Money &amp; Understanding Return-25 hours</b>			
2	2.1	Time Value of Money- Meaning-Importance-Factors affecting value of money - Time value and purchasing power	Theory
	2.2	Valuation-Methods in adjusting time value of money- Compounding Technique/Future Value Technique and Discounting/Present Value Concept – Future value and Present value of an annuity – Present value of perpetuity	Theory and Problem
	2.3	Return from investment- Meaning- Importance- risk-return tradeoff - Factors to be considered while evaluating returns	Theory
	2.4	Different measures of return- Absolute return- Annualized return- Total return- Concept of Compounded Annual Growth Rate(CAGR)- CAGR for multiple cash flows- Internal rate of return(IRR)- Difference between CAGR and IRR- NPV-Holding Period Return(HPR)	Theory and Problem
	2.5	Real rate of return Vs Nominal rate of return- Tax adjusted return-Risk adjusted return	Theory and Problem
<b>Module 3 - Understanding Risk -20 hours</b>			
3	3.1	Risk -Common Types of Risk – Inflation risk- Default risk- Liquidity risk- Reinvestment risk- Business risk- Exchange rate risk- Interest rate risk- Market risk- Systematic and Unsystematic risk -Systematic Risk, Specific Risk and Diversification	Theory
	3.2	Measuring risk- Compounding Standard Deviation and variance- Risk-	Theory and

		return trade off	Problem
	3.3	Asset allocation and Portfolio Construction: Risk levels of asset classes - Strategic Asset Allocation, Tactical Asset Allocation	Theory
	3.4	Passive and Active Management-Factors needed for active management to be successful-Choosing between passive and active management	Theory
	3.5	Identifying and Capturing Market Inefficiencies-Fundamental Analysis-Technical and Behavioural Analysis-Quantitative Analysis	Theory
<b>Module 4 - Alternative Forms of Investment - 15 hours</b>			
4	4.1	Investment Vehicles-Direct and Indirect Investment-Pooled Investment-security market indices-index fund –hedge fund-funds of fund	Theory
	4.2	Private Equity Investments-Private Equity strategies-Structure and Mechanics of Private Equity Partnerships	Theory
	4.3	Real Estate Investment-Commercial Real Estate Segments-Mode of Investment in Real Estate	Theory
	4.4	Commodity Investment-Mode of Investment	Theory
	4.5	Advantages and Limitations of Alternative Investment	Theory
<b>Module 5 - Investment Decisions-15 hours</b>			
5	5.1	Types of investors- Retail investors-Institutional investors-Income and saving ratio-risk profiling of investors- Classifying investors as per risk profiling	Theory
	5.2	Understanding investors investment psychology and Investment behavior- Income generation and assets classification	Theory
	5.3	Factors that affect investors’ needs- Required Return- Risk tolerance- Time Horizon- liquidity- Regulatory issues- Taxes	Theory
	5.4	Risk Tolerance –Risk capacity and risk appetite-AML and KYC Compliance- Matching investment with investors risk profile and liquidity requirement - Investment Policy Statements- Uses and	Theory

Course Code			
	Importance		
	5.5	Overall effective yield and Tax planning- Wealth protection measures.	Theory

**Suggested assignment:**

- Identify any 10 investment avenues and rank them on the basis of risk-return. Also suggest on the suitability of the same to different types of investors.
  
- Identify the strategies of great investment master :
  - Warren Buffet: the Ultimate Business man
  - John Templeton: the Bargain hunter
  - George Soros: the Global speculator
  - John Bogle : Twelve Pillars of investment Wisdom

**Suggested readings:**

- Bodie, Zvi, Kane Alex and Alan, J. Marcus, Investments, McGraw Hill.
- Bhalla, V.K. Investment Management, S.Chand & Company Ltd.
- Preeti Singh, Investment Management, Himalaya Publishers.
- Fabozzi, Frank, J. Investment Management, PHI learning.
- Jones, C.P. Investments Analysis and Management, Wiley, 8th ed.
- Chandra, Prasanna. Investment Analysis and Portfolio Management. McGraw Hill Education
- Rustogi, R.P. Fundamentals of Investment. Sultan Chand & Sons, New Delhi.
- Vohra N.D. & Bagri B.R., Futures and Options, McGraw Hill Education
- Mayo. An Introduction to Investment. Cengage Learning

Title of the Course	<b>BUSINESS ECONOMICS</b>
Semester	<b>One</b>
Type	<b>Complementary</b>
Credits	<b>3</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the Course:**

To enable the students to have a basic understanding of the concept of Business Economics

**Course Outcome**

<b>Course Outcome No.</b>	<b>Expected Course Outcome</b>	<b>Cognitive Level</b>
1	Familiarizing students with elementary aspects of business economics	Understand
2	Understand the concept of demand and elasticity of demand and assist students in scientific demand forecasting	Understand and Evaluate
3	Understand the economies and diseconomies of scale and Laws of production function	Understand and Evaluate
4	Understand the concept of cost and prepare students for effective cost analysis	Understand and Evaluate
5	Enable the students to understand various market conditions leading to effective price determination	Understand and Evaluate

<b>Module</b>	<b>Sl. No of Units</b>	<b>Contents of the Unit</b>	<b>Remarks</b>
<b>Module 1 - Introduction-15 Hours</b>			
	1.1	Meaning of Business Economics, Nature, Scope & Objective of Business Economics -Business Economics and its role in managerial decision making-meaning-scope-relevance	Theory

	1.2	Application of economic theories in decision making- Areas where economic theories can be applied for business decision making	Theory
	1.3	Incremental Reasoning – Time Perspective – Discounting Principle – Opportunity Cost – Equi- marginal principle	Theory
<b>Module 2 – Demand Analysis and Forecasting -20 hours</b>			
2	2.1	Demand–Meaning- Law of Demand – Reasons for Law of demand – Exceptions to the Law	Theory
	2.2	Demand determinants- Movements Vs Shift in Demand- Demand distinctions	Theory
	2.2	Elasticity of Demand – Price elasticity- Importance of price elasticity- Factors affecting price elasticity - Degrees of elasticity-	Theory
	2.3	Income elasticity-Advertisement elasticity – Cross elasticity	Theory and Problems
	2.4	Methods of measuring price elasticity	Theory and Problems
	2.5	Demand Forecasting –Short Term and Long-Term Forecasting – Characteristics of a good forecasting technique	Theory
	2.6	Methods of Forecasting-Forecasting demand for new products-.	Theory
<b>Module 3 - Production 15 hours</b>			
3	3.1	Production Function –Assumptions and uses of production function- Cobb Douglas Production Function	Theory
	3.2	Laws of Production – Law of Diminishing Returns or variable proportions- –Law of Returns to Scale	Theory
	3.3	Economies and Diseconomies of Scale	Theory
	3.4	Isoquant Curve- Futures - Iso cost Curve – Optimum Combination of Inputs or Producers’ equilibrium	Theory
<b>Module 4 -Cost Analysis - 20 Hours</b>			
4	4.1	Cost -Cost concepts and classifications- Distinction between Accounting and Economic cost – Short run, long run cost- Fixed	Theory



		and Variable cost	
	4.2	Cost function- Cost Output relationship in the short run – Cost output relationship in the long run	Theory
	4.3	Optimum Firm- Cost Control and Cost reduction	Theory
	4.4	Decision Making Situation in Cost Analysis- Least Cost Input combination in the short run- Equilibrium Level- Managerial Decisions based on cost analysis – Meaning of Break Even point – Calculation of Break Even point	Theory and Problems
<b>Module 5 - Pricing in Different Markets- 20 Hours</b>			
5	5.1	Price theory and price mechanism- objectives of pricing- Various market forms and pricing	Theory
	5.2	Perfect Competition –Features- Price determination	Theory
	5.3	Equilibrium of a firm under perfect competition- Short run and Long run – Shut down point -	Theory
	5.4	Monopoly- Features and kinds of monopoly- Price and output determination	Theory
	5.5	Price Discrimination- Types- conditions- degree of price discrimination	Theory
	5.6	Imperfect Competition- Monopolistic competition- features- Price-output determination- Short run and Long run	Theory
	5.7	Oligopoly—features- Kinked Demand Curve- Price Leadership – Pricing under Collusion	Theory
	5.8	Other market forms like duopoly, monopsony, duopsony, oligopsony and bilateral monopoly-	Theory

### References

- Dean, Joel Managerial economics- Prentice Hall of India
- Varshney, R.L., & Maheshwari, K.L., Managerial Economics, Sultan Chand & Sons Private Ltd., New Delhi

- Mehta, P. L., Managerial Economics, Sultan & Chand, New Delhi
- Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury
- Principle of Microeconomics, Gregory Mankiw, Cenagage Learning Publications
- Economics, Samuleson and Nordhaus, TMH Publishers Ltd. New Delhi
- Modern Microeconomics, Koutsoyannis, Machmillan India Ltd. New Delhi

Course code	
Title of the course	<b>LEGAL AND REGULATORY FRAMEWORK OF FINANCIAL MARKETS - II</b>
Semester	<b>Two</b>
Type	<b>Core</b>
Credits	<b>4</b>
Hours	<b>5 Hours per week and total 90</b>

**Objective of the course:** To provide the students with legal knowledge of general business law. It also relates to various laws relating to securities in financial market.

<b>Course Outcome No:</b>	<b>Expected Course Outcome</b>	<b>Cognitive level</b>
1	Familiarise students with the fundamental legal framework of Contract Act which influences all business relationships	Understand and remember
2	Make students understand the application of Law of Agency while dealing in financial market	Understand and Apply
3	Able to understand meaning, essential characteristics and types of negotiable instruments and various provisions of negotiable instrument act 1881	Understand and remember
4	Familiarise students with Insurance Regulatory And Development Authority Of India Act, 1999	Understand and remember
5	Able to understand investor protection in financial markets	Understand and remember

#### **Unit wise arrangement of the Course**

<b>Module</b>	<b>Sl. No. of units</b>	<b>Contents of the unit</b>	<b>Remarks</b>
<b>Module 1- Indian Contract Act 1872 – 30 hours</b>			
	1.1	Definitions- Agreement- Kinds of Contracts - Valid – Void - Voidable - Contingent and Quasi Contract - E-Contract	Theory

1	1.2	Essentials of a Valid Contract - Offer and Acceptance - Communication of Offer - Acceptance and its Revocation	Theory
	1.3	Agreement - Consideration - Capacity to Contract - Free Consent - Legality of Object and Consideration	Theory
	1.4	Performance of Contract - Discharge of Contract -Breach of Contract - Remedies for Breach of Contract	Theory
	1.5	Special Contracts - Bailor and Bailee - Pledge - Indemnity and Guarantee	Theory
	1.6	Indemnity - Meaning and Definition - Contract of Guarantee - Kinds of Guarantee	Theory
	1.7	Rights and Liabilities of Surety - Discharge of Surety	Theory
<b>Module 2 - Law of Agency - 15 hours</b>			
2	2.1	Law of Agency - Essentials, kinds of agents, rights and duties of agent and principal	Theory
	2.2	applications of law of agency in capital market - creation of agency - termination of agency	Theory
	2.3	Sub agents and substituted agents- Relationship	Theory
<b>Module 3 - Negotiable Instruments Act 1881- An Overview – 15 hours</b>			
3	3.1	Negotiable instruments- meaning- promissory note, bill of exchange, cheque, drawer, drawee, drawee in case of need	Theory
	3.2	acceptor, acceptor for honour, payee, holder, holder in due course, endorsement, foreign instrument, maturity, days of grace	Theory
	3.3	Types of Negotiable Instruments- features- presumptions as to negotiable instrument- bill of exchange- promissory notes- conditions	Theory
	3.4	classifications- distinction between bill of exchange and promissory notes- Parties to negotiable instruments	Theory
	3.5	Negotiation- modes- assignment	Theory
<b>Module 4 - Regulatory Infrastructure in Financial Markets- 20 hours</b>			

4	4.1	Regulators - Ministry of Finance, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India (IRDAI)	Theory
	4.2	Forward Market Commission of India (FMC), Pension Fund Regulatory and Development Authority (PFRDA), RBI, SEBI	Theory
	4.3	Role of regulators in regulating financial markets- functions	Theory
	4.4	Insurance Regulatory and Development Authority of India Act, 1999 - Meaning of terms- composition- removal from office- Objectives of IRDA- duties, powers and functions of authority	Theory
	4.5	Power of central government- Role of IRDA in financial market	Theory
<b>Module 5 - Investor Protection in Financial Markets – 10 hours</b>			
5	5.1	Role of Ministry of Corporate Affairs in investor protection- Investor education and protection fund- investor awareness programme by SEBI	Theory
	5.2	Need of investor protection- Role of AMFI in protecting investors- methods of investor protection by SEBI	Theory

### **Suggested assignments:**

- Evaluate and identify the application of Negotiable Instruments Act and Law of Agency in any ten areas/ documents/ instruments/ relationships related to financial markets.

### **Suggested readings:**

- Aswathappa, K., Business Laws, Himalaya Publishing House, Bengaluru.
- Kapoor, N.D., Business Laws, Sultan Chand publications New Delhi.
- Sharma, S.C., Business Law, International Publishers, Bengaluru
- Tulsian, Business Law, McGraw-Hill Education Mumbai
- Indian contract act 1982
- Negotiable instruments act 1881
- Insurance Regulatory and Development Authority of India Act, 1999

### **References**

- Indian contract act 1982
- Negotiable instruments act 1881
- Insurance Regulatory and Development Authority of India Act, 1999