

ANNEXURE : 54 J.9
SCAA DT: 29.02.2008

BHARATHIAR UNIVERSITY: COIMBATORE – 641 046
SCHOOL OF DISTANCE EDUCATION
COURSE STRUCTURE (2007-2009)

MBA (FINANCIAL SERVICES)

PAPER NO	NAME OF THE SUBJECT	MARKS
First Year		
1.1	Principles of Management and Organisational Behaviour	100
1.2	Managerial Economics	100
1.3	Accounting and Finance for Managers	100
1.4	Marketing Management	100
1.5	Human Resource Management	100
1.6	Quantitative Techniques for Management	100
1.7	Research Methods for Management	100
Second Year		
2.1	Marketing of Financial Services	100
2.2	Mutual Funds and Merchant Banking	100
2.3	Legal aspects of financial services	100
2.4	Mergers and Acquisitions	100
2.5	Financial Intermediaries, Financial Institutions, & Regulators	100
2.6	Risk Management & Insurance	100
2.7	Treasury Management	100
2.8	Project Work	100
TOTAL		1500

BHARATHIAR UNIVERSITY: COIMBATORE – 641 046
SCHOOL OF DISTANCE EDUCATION
SYLLABUS (2007-2009)

Subject Title : **Principles of Management and Organizational Behaviour**

Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description :

This course presents the principles of management, emphasizing managerial functions and behavioural concepts and its practical applications in the organisation.

Goals: To enable the students to learn the basic functions, principles, concepts of management and behavioral aspects in the organization.

Objectives: On successful completion of the course the students should have:

1. understood the principles and functions of management.
2. learnt the scientific decision making process and problem solving techniques.
3. learnt modern management process.
4. learnt behavioural aspects of an individual in the organization.

Contents:

UNIT I

Management : Science, Theory and Practice - The Evolution of Management Thought and the Patterns of Management Analysis - Management and Society : Social Responsibility and Ethics - Global and Comparative Management - The Basis of Global Management – Functions of Management-The Nature and Purpose of Planning - Objectives - Strategies, Policies and Planning Premises - Decision Making - Global Planning.

UNIT II

The Nature of Organizing - Organizational Structure : Departmentation - Line/Staff Authority and Decentralization - Effective Organizing and Organizational Culture - Global Organizing. Co-ordination functions in Organisation - Human Factors and Motivation - Leadership - Committees and group Decision Making - Communication - Global Leading.

UNIT III

The System and Process of Controlling - Control Techniques and Information Technology - Global Controlling and Global Challenges – Direction Function – Significance.

UNIT IV

Organisational Behaviour : History - evolution, Challenges & opportunities, contributing disciplines, management functions and relevance to Organisation Behaviour. Organizational Behaviour responses to Global and Cultural diversity.

Personality - Determinants, structure, behaviour, assessment, psycho-analytical social learning, job-fit, trait theories.

Emotions and Emotional Intelligence as a managerial tool. Attitudes - relationship with behaviour, sources, types, consistency, work attitudes, values - importance, sources, types, ethics and types of management ethics. Perception - Process, Selection, Organisation Errors, Managerial implications of perception. Learning - classical, operant and social cognitive approaches. Implications of learning on managerial performance.

UNIT V

Stress - Nature, sources, Effects, influence of personality, managing stress- Conflict - Management, Levels, Sources, bases, conflict resolution strategies, negotiation. Foundations of group behaviour : team decision making. Issues in Managing teams.

Organisational change - Managing planned change. Resistance to change - Approaches to managing organisational change - Organisational Development - values - interventions, change management- Organisational culture - Dynamics, role and types of culture and corporate culture.

REFERENCE

1. Koontz & Weirich, Essentials of Management, Tata McGraw Hill Publishing Company, New Delhi.
2. Stoner, Freeman & Gilbert, Management, PHI, 6th Edition.
3. Robbins.S.P., Fundamentals of Management, Pearson, 2003.
4. Robbins.S. Organisational Behaviour, X edn., Prentice-Hall, India.
5. Umasekaran, Organisational Behaviour.
6. VSP Rao, V Hari Krishna – Management: Text and Cases, Excel Books, I Edition, 2004

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : Managerial Economics
Course Number :
Number of Credit Hours : 3 (Three)

Subject Description :

This course presents the principles of economics, demand analysis, market structure and macro environment and its application in the decision making.

Goals: To enable the students to learn the basic principles of economics and its application in the decision making in the business.

Objectives: On successful completion of the course the students should have:

1. understood the principles economics.
2. learnt the demand analysis and various cost aspects in the business.
3. learnt the market structure and the decision making process for various markets.
4. learnt the profit, profit policies, cost volumes relationship.
5. learnt the macro environment of the business.

Contents:

UNIT I

Managerial Economics - meaning, nature and scope - Managerial Economics and business decision making - Role of Managerial Economist - Fundamental concepts of Managerial Economics- Demand Analysis - meaning, determinants and types of demand - Elasticity of demand.

UNIT II

Supply meaning and determinants - production decisions - production functions - Isoquants, Expansion path - Cobb-Douglas function.

Cost concepts - cost - output relationship - Economies and diseconomies of scale - cost functions.

UNIT III

Market structure - characteristics - Pricing and output decisions - methods of pricing - differential pricing - Government intervention and pricing.

UNIT IV

Profit - Meaning and nature - Profit policies - Profit planning and forecasting - Cost volume profit analysis - Investment analysis.

UNIT V

National Income - Business cycle - inflation and deflation - balance of payments - Monetary and Fiscal Policies

REFERENCE

1. Joel Dean - Managerial Economics, Prentice Hall/Pearson.
2. Rangarajan - Principles of Macro Economics, Tata McGraw Hill.
3. Athmanand.R., Managerial Economics, Excel, New Delhi, 2002.

4. P.L.Mehta, Managerial Economics, S.Chand and Sons Company Ltd., New Delhi, 2004.
 5. Peterson Lewis, Managerial Economics, Prentice Hall of India, New Delhi, 2002.
- Equipments/Softwares and other teaching aids and tools:** Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Accounting and Finance for Managers**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description :

This course presents the principles of accounting, preparation of financial statements, analysis of financial statements, costing techniques, financial management and its functions.

Goals: To enable the students to learn the basic principles of accounting and preparation and analysis of financial statements and also the various functions of financial management.

Objectives: On successful completion of the course the students should have:

1. understood the principles and objectives of accounting.
2. learnt the preparation of financial statements and the various techniques of analyzing the financial statements.
3. learnt the costing methods and its application in decision making.
4. learnt the basic objectives of financial management , functions and its application in financial decision making .

Contents:

UNIT I

Financial Accounting - Definition - Accounting Principles - Concepts and conventions - Trial Balance – Final Accounts (Problems) - Depreciation Methods- Straight line method, Written down value method.

UNIT II

Financial Statement Analysis - Objectives - Techniques of Financial Statement Analysis: Accounting Ratios: construction of balance sheet using ratios (problems)- Dupont analysis. Fund Flow Statement - Statement of Changes in Working Capital - Preparation of Fund Flow Statement - Cash Flow Statement Analysis- Distinction between Fund Flow and Cash Flow Statement. Problems

UNIT III

Cost Accounting - Meaning - Distinction between Financial Accounting and Cost Accounting - Cost Terminology: Cost, Cost Centre, Cost Unit - Elements of Cost - Cost Sheet - Problems.
 Budget, Budgeting, and Budgeting Control - Types of Budgets - Preparation of Flexible and fixed Budgets, master budget and Cash Budget - Problems -Zero Base Budgeting.

Marginal Costing - Definition - distinction between marginal costing and absorption costing - Break even point Analysis - Contribution, p/v Ratio, margin of safety - Decision making under marginal costing system-key factor analysis, make or buy decisions, export decision, sales mix decision-Problems

UNIT IV

Objectives and functions of Financial Management - Role of Financial Management in the organisation - Risk-Return relationship- Time value of money concepts - Indian Financial system - Legal, Regulatory and tax framework. Sources of Long

term finance - Features of Capital market development in India - Role of SEBI in Capital Issues.

Capital Budgeting - methods of appraisal - Conflict in criteria for evaluation - Capital Rationing - Problems - Risk analysis in Capital Budgeting.

UNIT V

Cost of Capital - Computation for each source of finance and weighted average cost of capital - EBIT -EPS Analysis - Operating Leverage - Financial Leverage - problems.

Capital Structure Theories - Dividend Policies - Types of Dividend Policy.

Working Capital Management - Definition and Objectives - Working Capital Policies - Factors affecting Working Capital requirements - Forecasting Working Capital requirements (problems) - Cash Management - Receivables Management and - Inventory Management - Working Capital Financing - Sources of Working Capital and Implications of various Committee Reports.

REFERENCE

1. Advanced Accountancy - R.L.Gupta and Radhaswamy
2. Management Accounting - Khan and Jain
3. Management Accounting - S.N.Maheswari
4. Prasanna Chandra, "Financial Management – Theory and Practice", Tata McGraw Hill, New Delhi (1994).
5. I.M.Pandey, "Financial Management", Vikas Publishing, New Delhi.

**Note : 80% of the questions shall be theory based
20% of the questions shall be problems.**

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, Tally, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : Marketing Management
Course Number :
Number of Credit Hours : 3 (Three)

Subject Description :

This course presents the various concepts of marketing, buyer behaviour, marketing mix and the analysis of the market.

Goals: To enable the students to learn the basic of marketing, process, product mix, marketing channels, product promotion and the market.

Objectives: On successful completion of the course the students should have:

1. understood the various concepts of marketing.
2. learnt the buyer behaviour and market segmentations.
3. learnt the product mix, channels of distribution and promotion of a product.
4. learnt about the market and analyzing the market conditions.

Contents:

UNIT I

Marketing Concepts and Tasks, Defining and delivering customer value and satisfaction - Value chain - Delivery network, Marketing environment, Adapting marketing to new liberalised economy - Digitalisation, Customisation, Changing marketing practices, e-business - setting up websites; Marketing Information System, Strategic marketing planning and organization.

UNIT II

Buyer Behaviour, Market Segmentation and Targeting, Positioning and differentiation strategies, Product life cycle strategies, New product development, Product Mix and Product line decisions, Branding and Packaging, Price setting - objectives, factors and methods, Price adapting policies, Initiating and responding to price changes.

UNIT III

Marketing channel system - Functions and flows; Channel design, Channel management - Selection, Training, Motivation and evaluation of channel members; Channel dynamics - VMS, HMS, MMS; Market logistics decisions.

UNIT IV

Integrated marketing communication process and Mix; Advertising, Sales promotion and Public relation decisions. Direct marketing - Growth, Benefits and Channels; Telemarketing; Salesforce objectives, structure, size and compensation.

UNIT V

Identifying and analysing competitors, Designing competitive strategies for leaders, challengers, followers and nichers : Customer Relationship marketing - Customer database, Data warehousing and mining. Attracting and retaining customers, Customerism in India, Controlling of marketing efforts.

Global Target market selection, standardization Vs adoption, Product, Pricing, Distribution and Promotional Policy.

REFERENCE

1. Marketing Management - Philip Kotler - Pearson Education/PHI, 2003.
2. Marketing Management - Rajan Saxena - Tata McGraw Hill, 2002.
3. Marketing Management - Ramasamy & Namakumari - Macmillan India, 2002.
4. Case and Simulations in Marketing - Ramphal and Gupta - Golgatia, Delhi.
5. Marketing Management – S.Jayachandran - TMH, 2003.

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : Human Resource Management
Course Number :
Number of Credit Hours : 3 (Three)

Subject Description :

This course presents the human resource functions, recruitment, placement, training, development, compensation, managing quality, labour relations and employee security.

Goals: To enable the students to learn the importance of the human resources, recruitment and training and also the importance of the labour relations in the organization.

Objectives: On successful completion of the course the students should have:

1. understood the changing environment of the HRM and the role of the HR managers.
2. learnt the recruitment process and the application of the IT.
3. learnt the importance of the training and development.
4. learnt about the pay plans, performance appraisal and compensation.
5. learnt the importance of the labour relation, the employee security and collective bargaining.

Contents:

UNIT I: Human Resource Function

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: Recruitment & Placement

Job analysis : Methods - IT and computerised skill inventory - Writing job specification - HR and the responsive organisation.

Recruitment and selection process : Employment planning and forecasting - Building employee commitment : Promotion from within - Sources, Developing and Using application forms - IT and recruiting on the internet.

Employee Testing & selection : Selection process, basic testing concepts, types of test, work samples & simulation, selection techniques, interview, common interviewing mistakes, Designing & conducting the effective interview, small business applications, computer aided interview.

UNIT III: Training & Development

Orientation & Training: Orienting the employees, the training process, need analysis, Training techniques, special purpose training, Training via the internet.

Developing Managers: Management Development - The responsive managers - On-the-job and off-the-job Development techniques using HR to build a responsive organisation. Management Developments and CD-Roms - Key factor for success.

Performance appraisal: Methods - Problem and solutions - MBO approach - The appraisal interviews - Performance appraisal in practice.

Managing careers: Career planning and development - Managing promotions and transfers.

UNIT IV: Compensation & Managing Quality

Establishing Pay plans : Basics of compensation - factors determining pay rate - Current trends in compensation - Job evaluation - pricing managerial and professional jobs - Computerised job evaluation.

Pay for performance and Financial incentives : Money and motivation - incentives for operations employees and executives - Organisation wide incentive plans - Practices in Indian organisations.

Benefits and services : Statutory benefits - non-statutory (voluntary) benefits - Insurance benefits - retirement benefits and other welfare measures to build employee commitment.

UNIT V: Labour relations and employee security

Industrial relation and collective bargaining : Trade unions - Collective bargaining - future of trade unionism. Discipline administration - grievances handling - managing dismissals and separation.

Labour Welfare : Importance & Implications of labour legislations - Employee health - Auditing HR functions, Future of HRM function.

REFERENCE

1. Gary Dessler, "Human Resource Management", Seventh edition, Prentice-Hall of India P.Ltd., Pearson.
2. David A. DeCenzo & Stephen P.Robbins, Personnel/Human Resource Management, Third edition, PHI/Pearson.
3. VSP Rao, Human Resource Management: Text and cases, First edition, Excel Books, New Delhi - 2000.
4. Dr. R.Venkatapathy & Assissi Menacheri, Industrial Relations & Labour Welfare, Adithya Publications, CBE, 2001.
5. Robert L.Gibson and Marianne H.Mitchell, Introduction to Counseling and Guidance, VI edition, PHI, 2005.

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : Quantitative Techniques for Management
Course Number :
Number of Credit Hours : 3 (Three)

Subject Description :

This course presents the various mathematical models, networking, probability, inventory models and simulations for managerial decisions.

Goals: To enable the students to learn techniques of operations research and resources management and their application in decision making in the management.

Objectives: On successful completion of the course the students should have:

1. understood the basic of the quantitative techniques.
2. learnt the feasible solution and optimum solution for the resource management.
3. learnt the time estimation and critical path for project.
4. learnt about the application of probability techniques in the decision making.
5. learnt the various inventory models and simulations in the resource planning and management.

Contents:

UNIT I

QT – Introduction – Measures of Central Tendency – Mean, Median, Mode.

Mathematical Models – deterministic and probabilistic – simple business examples – OR and optimization models – Linear Programming – formulation – graphical solution –simplex – solution.

UNIT II

Transportation model – Initial Basic Feasible solutions – optimum solution for non – degeneracy and degeneracy model – Trans-shipment Model – Assignment Model – Travelling Salesmen problem.

UNIT III

Network Model – networking – CPM – critical path – Time estimates – critical path – crashing, Resource levelling, Resources planning. Waiting Line Model – Structure of model – M/M/1 for infinite population.

UNIT IV

Probability – definitions – addition and multiplication Rules (only statements) – simple business application problems – probability distribution – expected value concept – theoretical probability distributions – Binomial, Poisson and Normal – Simple problems applied to business.

UNIT V

Inventory Models – Deterministic – EOQ – EOQ with Price Breaks – Probabilistic Inventory Models - Probabilistic EOQ model – Game theory-zero sum games: Arithmetic and Graphical Method.

Simulation – types of simulation – Monte Carlo simulation – simulation problems. Decision Theory – Pay off tables – decision criteria – decision trees.

REFERENCE

1. Statistics for Management – Richard L Levin & Daid S Rubin
2. Statistical Methods – S P Gupta
3. Operations Research – Kanti Swarup, Gupta And Man Mohan
4. Operations Research – Dr. J.K. Sharma Macmillan Indian Ltd.
5. U.K. Srivastava, G.V. Shenoy, S. C. Sharma, “Quantitative Techniques for Managerial Decision”, Second Edition, Prentice Hall of India

**Note : 80% of the questions shall be theory based
20% of the questions shall be problems.**

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, Excel, Systat, SPSS, Tora, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

Subject Title : **Research Methods for Management.**
Course Number :
Number of Credit Hours : **3 (Three)**

Subject Description :

This course presents the basic concept of research design, hypotheses, sampling techniques, testing the significance and report writing.

Goals: To enable the students to learn the importance of the research, various methods of analysis of data and its applications in the business management.

Objectives: On successful completion of the course the students should have:

1. understood the basic of the research methods..
2. learnt the various techniques of sampling.
3. learnt the various methods of analysis of data and its applicability in the decision making.
4. learnt to write a good research report.

Contents:

UNIT I

Research - meaning - scope and significance - Types of research - Research Process - Characteristics of good research - Scientific method - Problems in research - Identifying research problem – concepts, constructs and theoretical framework.

UNIT II

Hypothesis:- meaning - sources - Types - formulation Research design - Types - case study - features of good design - measurement - meaning - need Errors in measurement - Tests of sound measurement Techniques of measurement - scaling Techniques - meaning - Types of scales - scale construction techniques.

UNIT III

Sampling design - meaning - concepts - steps in sampling - criteria for good sample design - Types of sample designs - Probability and non-probability samples. Data collection:- Types of data - sources - Tools for data collection methods of data collection - constructing questionnaire - Pilot study - case study - Data processing:- coding - editing - and tabulation of data - Data analysis.

UNIT IV

Test of Significance:- Assumptions about parametric and non-parametric tests. Parametric Test - T test, F Test and Z test - Non Parametric Test - U Test, Kruskal Wallis, sign test. Multivariate analysis-factor, cluster, MDS, Discriminant analysis. (NO Problems). SPSS and its applications.

UNIT V

Interpretation - meaning - Techniques of interpretation - Report writing:- Significance - Report writing:- Steps in report writing - Layout of report - Types of reports - Oral presentation - executive summary - mechanics of writing research report - Precautions for writing report - Norms for using Tables, charts and diagrams - Appendix:- norms for using Index and Bibliography.

REFERENCE

1. Rao K.V. Research methods for management and commerce - sterling
2. Zikmund, Business Research Methods
3. Kothari C.R.- Research methodology
4. Donald R.Cooper and Pamela S.Schindler - Business Research Methods - Tata McGraw Hill.
5. Uma Sekaran, Research Methods for Business, Wiley Publications.

**Note : 80% of the questions shall be theory based
20% of the questions shall be problems.**

Equipments/Softwares and other teaching aids and tools: Computer, LCD Projector, OHP, Excel, SPSS, PowerPoint slides

Preferable Method of Teaching: Lectures and Case Study

Suggested components for evaluation for internal: Internal Test, Assignment and Seminar

Suggested contact hours required for teaching: 45 Hours

MARKETING OF FINANCIAL SERVICES

OBJECTIVE

To equip students about strategy, mix and promotion of Financial Services.

UNIT I

Categories of financial products - Insurance, Banks, Stocks, Mutual Funds, Pension plans, other savings products - The financial services marketing environment- The distinctive aspects of services marketing; micro and macro environmental forces; new developments and trends.

UNIT II

Marketing strategy - Planning, organizing and implementing marketing operations; marketing as a management function, Market research- Establishing a marketing information system; the marketing research process, Market segmentation – Target marketing; market segmentation, targeting and positioning the financial services organization in the marketplace.

UNIT III

The marketing Mix: Product strategy; new product development; product life cycle, pricing considerations and strategies, Distribution channels; the impact of technology; on-line marketing; multiple channel strategies.

UNIT IV

Promotion Strategies; advertising, sales promotion, public relations; sponsorship; the internet as a promotion tool, People in the marketing mix; personal selling and sales force management; the selling process, Physical evidence and processes customer care, The dimensions of customer care; service quality and service recovery; global marketing.

UNIT V

Regulations governing financial services marketing, Ethical issues in the marketing of financial services, Ethics in relation to the individual and society as a whole.

REFERENCE BOOKS

1. Marketing Financial services-Hooman Estelami.
2. The Financial Services Handbook-Evelyn enrich & Duk Fanelli.
3. Marketing Financial Services – Elsevier.

MUTUAL FUNDS AND MERCHANT BANKING

OBJECTIVE

To explain mutual funds and merchant banking Industry in Indian.

UNIT I

Mutual funds: Concept – Different schemes – Advantages – UTI : Objective-functions – regulation – role of UTI in industrial finance.

UNIT II

History of Mutual fund Industry in India – Formation and organization – fund accounting and valuation – Portfolio management – Performance measurement and evaluation of mutual fund schemes – unit holders protection.

UNIT III

Merchant banking: Concept – function – Growth – Merchant Banking in Indian – Policy measures – Institutional Structure – Functions of Merchant Banking – Legal and Regulatory Frameworks – Relevant Provisions of companies Act – SEBI guidelines – FEMA etc. – Relation with Stock Exchanges, OTCEI and NSE.

UNIT IV

Issue Management: Role of Merchant Banker in Appraisal of Projects, Designing Capital Structure and Instruments – Issue Pricing – Pricing – Preparations of Prospectus Selection of Bankers, Advertising Consultants, etc. – Role of Registrars – Underwriting Arrangements. Dealing with Bankers to the Issue, Underwriters, Registrars, and Brokers.

UNIT V

Offer for Sale – Book – Building – Green Shoe Option – E-IPO Private Placement – Bought out deals – Placement with FIs, MFs, FIIs, etc. off – Shore Issues. – Issue Marketing – Advertising Strategies – NRI Marketing – Post Issue Activities.

REFERENCE BOOKS

1. E.Gordon, K.Natarajan, Emerging Scenario of Financial Services, Himalaya Publishing House, Mumbai.
2. Mutual funds in India: Marketing strategies and investment practices, H Sadhak.
3. Merchant Banking: Principles and Practice by H.R.Machiraju, New Age International (P) Limited, New Delhi, 1995.
4. Merchant banking and financial services, S.Gurusamy, Thomson South – Western.
5. M.Y.Khan, “Financial Services” – Tata McGraw Hill, 3rd Edition, 2005.
6. Machiraju, Indian Financial System – Vikas Publishing House, 2nd Edition, 2002.
7. J.C.Verma, ‘A Manual of Merchant Banking’, Bharath Publishing House, New Delhi, 2001.
8. Sadhale H., ‘Mutual Funds in India’, Sage, New Delhi 1997.

LEGAL ASPECTS OF FINANCIAL SERVICES

OBJECTIVE

To Sensitize students with legal aspects of Finance Industry.

UNIT I

Financial services – need for financial services, various types of financial service: Fund based and Non-Fund based. Characteristics and role of financial intermediaries. Depository Institutions and financial services. Non-Depository institutions and their role. Role of governance and regulatory bodies.

UNIT II

Financial Services and non depository institutions. Merchant Banking, Factoring, Forfeiting Leasing, Securitization, Custodian Services, Credit Rating Mortgages. Mutual Funds – Performance, evaluation of mutual funds, Depository services – legal aspects SEBI governance.

UNIT III

Insurance: insurable and non-insurable risk. Types of insurable risks. Benefit of insurance to project planners. Benefits and limitations of Risk Management Policy.

UNIT IV

Mergers and Acquisitions – SEBI guidelines on Mergers, Acquisitions and Takeover.

UNIT V

Other financial services – Venture Capital, Bill Discounting - legal aspects.

REFERENCE BOOKS

1. Machiraju, H.R., Merchant Banking, Wheeler Publishing, 2003.
2. Verma J.C., Guide to Mutual Fund – Portfolio – Law, Practice and Procedures, Bharat Law House, 2002.
3. Kothari V., Lease Financing, Hire Purchase including Consumer Credit, Wadhera and Co., 2002.
4. Khan M.Y., Financial Services, Tata McGraw Hill, New Delhi, 1997.

5. Verma J.C., Venture Capital Financing in India, Sage, New Delhi, 1997.
6. Sadhale H., Mutual Funds in India, sage, New Delhi, 1997.
7. Lalit K.Bansal, Mutual Funds: Management and Working, Deep & Deep Publication, New Delhi.
8. Gordon and Natarajan, Financial Services, Himalaya Publishing, 1997.

MERGERS AND ACQUISITIONS

OBJECTIVE

To explain how mergers and acquisitions are done.

UNIT I

Mergers and Amalgamations: Concepts, need and reasons, legal aspects, procedural aspects relating to commencing of meetings and presentation of petition including documentation, economic aspects including effect on the interest of small investors; accounting aspects, financial aspects including valuation of shares, taxation aspects, stamp duty and allied matters, filing of various forms. Revival and Restructuring of Sick Companies.

UNIT II

Takeovers: Meaning and concept, types of takeovers, legal aspects – SEBI takeover regulations, procedural aspects, economic aspects, financial aspects, accounting aspects, taxation aspects, stamp duty and allied matters, payment of consideration, bail out takeovers, takeover of sick units.

UNIT III

Funding of Mergers and Takeovers: Financial alternatives, merits and demerits, funding through various types of financial instruments including preference shares, non-voting shares, buy-back of shares, hybrids, options and securities with differential rights, employer stock options and securities with different rights, takeover finance, ECBs, funding through financial institutions and banks, rehabilitation finance, management buyouts. Valuation of Shares and Business: Introduction, need and purpose; factors influencing valuation; methods of valuation.

UNIT IV

Corporate Demergers / Splits and Divisions: Difference between demerger and reconstruction; modes of demerger – by agreement, under scheme of arrangement, by voluntary winding up; tax aspects, tax reliefs, Indian scenario, reverse mergers. Post Merger Re-organization – Accomplishment of objectives – criteria of success, profitability, gains to shareholders; post merger valuation; measuring post merger efficiency; factors in post merger reorganization.

UNIT V

Financial Restructuring: Buy-back of shares – concept and necessity; SEBI guidelines; Government's guidelines, procedure and practice for buy-back of shares. Alliances Integrating alliances into corporate strategy; preparing for alliance, cross cultural alliances; implementing and managing the alliances.

REFERENCE BOOKS

1. Reed and Reed Lajorex, The art of Mergers & Acquisitions, McGraw Hill, 1999.
2. S.Ramanujam, Mergers et al., Tata McGraw Hill, 2000.
3. Sridharan and Pandian, Guides to Takeover and Mergers, Wadhava Publications, 2002.
4. Machiraju, Mergers, Acquisitions and Takeover, New Age International, 2003.
5. Weston, Sen and Johnson, Takeovers, Restructure and Corporate Governance, Prentice Hall, 2003.
6. Peirick A. Gaughan, Mergers, Acquisitions and Corporate Restructuring, John Wiley & Sons, 2003.

FINANCIAL INTERMEDIARIES, FINANCIAL INSTITUTIONS AND REGULATORS

OBJECTIVE

To explain types of Financial Intermediaries.

UNIT I

Financial markets, nature function and efficiency: Financial system and economic development flow of funds in Indian economy, Indian financial system an over view.

UNIT II

Financial Markets: Money market, organization; instruments, functioning and its regulation. Capital market: Primary and Secondary markets and their organization. Capital market instruments – equity, debentures, preference shares, sweat equity shares, non-voting shares; new instruments of capital market – pure, hybrid and derivatives; money market instruments – treasury bills, commercial bills, certificate of deposits; new money market instruments.

UNIT III

Financial Market: SEBI and its role as regulator. Interest rate, maturity and structure of interest rate. Term structure of interest rates. Financial repression and Interest rates. The Yield-curve.

UNIT IV

Financial Intermediation: Depository Institutions: Commercial Banks and industrial finances. Bank credit: Working Capital and bank funds; Term lending. Developing a credit information system. Performance of Indian Banking. Regulatory aspect of Banking.

UNIT V

Financial Intermediation: Non-Depository Institutions: Mutual Funds: Measuring performance of Mutual Funds, Chit funds organization, functioning and regulatory aspects; UTI and Private sector mutual Funds. Insurance Public and Private organization: Life and Non-life insurance companies: LIC & GICs working and regulatory framework; Pension Funds: organization and working of pension funds.

REFERENCE BOOKS

1. Mandura Jeff, Financial Markets and Institutions, West Publishing Company, New York.
2. Meir Kohn, Financial Institutions and Markets, McGraw Hill Publishing Company, New York.
3. Cooper Kersey and Donald R.Fraser, The Financial Market Place, Addison Wesley Publishing Company (Latest Edition).
4. Khan M.Y, Indian Financial System, Tata McGraw Hill.
5. Bhole M.K., Financial Markets and Institutions, Macmillan Publishing Co. Inc., New York.
6. Auerbach Robert D., Finance Markets and Institutions, Macmillan Publishing Co. Inc., New York.
7. Thygerson Kenneth J., Financial Markets and Institutions, Harper Collins, New York.
8. Santomero A.M. and D.C., Babber, Financial Markets, Instruments and Institutions, McGraw Hill, 2001.
9. Saunders A. and M.M. Cornett, Financial Markets and Institutions, McGraw Hill, 2001.
10. Mishkin, F.S. and S.C. Eakins, Financial Markets and Institutions, Addition Wesley, 2000.
11. R.B.I., Reports on Currency and Finance.
12. Reserve Bank Bulletins.

RISK AND INSURANCE MANAGEMENT

OBJECTIVE

To explain how Risk and Risk mitigation is managed.

UNIT I

Introduction to risk management: The Concept of Risk – Risk Vs. Uncertainty – types of Risks: Market Risk, Credit Risk, Operational Risk, interest risk, business risk, systematic risk - Classifying pure risks – methods of handling pure risks – risk management process – Risk financing techniques – Risk management objectives – Risk Management Information System (RMIS) – Risk Control.

UNIT II

Risk Management by Individuals: Factors effecting individual demands for insurance – Risk Management by Corporations: Corporate Risk Management Process – Types of Risk Managing firms.

UNIT III

Growth & Development of Indian Insurance Industry – Regulations of Insurance Business and The Emerging Scenario – Introduction to Life & General Insurance – Life Insurance: Features of Life Insurance – Essentials of Life Insurance Contract – Kinds of Insurance Policies – Premium determination – Life Policy Conditions.

UNIT IV

Fire Insurance: Fire Insurance Contracts – Fire Insurance Coverage – Policies for stocks – Rate Fixation in Fire Insurance – Settlement of Claims. Marine Insurance: Marine Insurance Contract – Types of Marine Insurance – Marine Cargo Losses and Frauds – Settlement of claims.

UNIT V

Miscellaneous Insurance: Motor Insurance – Employer's Liability Insurance – Personal Accident and sickness Insurance – Aviation Insurance – Burglary Insurance – Fidelity Guarantee Insurance – Engineering Insurance – Cattle Insurance – Crop Insurance.

REFERENCE BOOKS

1. Dr. P.K. Gupta: Insurance and Risk Management, 1st edition, Himalaya Publishing House.
2. Dr.P.K. Gupta: Fundamental of Insurance, 1st edition, Himalaya Publishing House.
3. C. Gopala Krishnan: Insurance Principles & Practice, Sterling Publishers Pvt. Ltd., New Delhi.
4. George G.R. Lucas, Ralph H. Wherry: Insurance, Principles and Coverages, U.S.A.
5. Prof. K.S. N. Murthy and K.V.S. Sarma: Modern Law of Insurance in India, N.M. Tripathi Pvt. Ltd., Bombay.
6. P.S. Palande, R.S. Shah, M.L. Lunawat: Insurance in India, Sage Publications, New Delhi.

TREASURY MANAGEMENT

OBJECTIVE

UNIT I

Treasury: Objective of Treasury – Structure and Organization – Functions and Responsibilities of a Treasurer – Cost centre, Profit Centre – Integrated Treasury.

UNIT II

Treasury Management: Money market – Structure and Institutions – Structure of Indian money market – functions – objectives of money market – money market instruments: Treasury bills, Commercial bills, certificate of deposit, commercial paper, Call money and factory services.

UNIT III

Treasury and Asset Liability Management – Liquidity Management: CRR/CCIL/RTGS – Exposure – Types of Exposure and Elimination of Exposure.

UNIT IV

Regulation, Supervision and compliance of Treasury function: Internal and External Audit – Reserve Bank of India.

UNIT V

Global Scenario and Treasury Operation: Exchange rate mechanism – Structure – Dealing and Trading Operations – Revaluation.

REFERENCE BOOKS

1. Treasury Risk Management – S.K. Bagchi
2. Technology for Treasury Management – Nicholas Greifer
3. Treasury Management in Emerging Markets by K. Seethapathi
4. Treasury Management in India by V.A. Avadhani Himalaya Publishing House, Delhi, 1998.
5. Treasury Management by D.C. Gardner Macmillan India Ltd., New Delhi, 1998.

**BHARATHIAR UNIVERSITY: COIMBATORE-46
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COURSE STRUCTURE (2007-2009)**

QUESTION PAPER PATTERN

Time : 3 Hours

Max Marks : 100

Answer any Five Questions

(5 X 20 = 100 Marks)

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.
- 8.
