

301: FINANCIAL SERVICES AND WEALTH MANAGEMENT

Objective

The objective of this course is to familiarise the students with the nature and scope of various types of financial services and to understand the regulatory environment in which they are undertaken.

Course outline:

Fund based Services

Leasing: Theoretical & legal framework, Taxation and funding, Accounting and reporting, Financial evaluation; Hire Purchase finance and consumer credit: Conceptual and legal framework, Taxation, Accounting and reporting, Financial evaluation; Bills discounting: Steps in bill discounting, Bill market in India; Factoring and forfeiting; Insurance services: General and Life Insurance, Role of IRDA; Housing/Real estate finance

Fee-based/Advisory Services:

Merchant banking: Institutional framework, Operational framework, Issue management, SEBI Guidelines for public issues, Pricing and timing of public issues; Mergers and Acquisitions: Concept, SEBI Regulations; Credit Rating: Concept, Types of credit rating, Credit rating agencies and their methodology; Stock-Broking: Procedure, SEBI Regulations; Portfolio Management Schemes

Regulatory Environment of Financial Services

Review of recommendations of various committees;

Introduction to Financial Planning and Wealth management

Role of Financial planner; Financial Planning Process; Risk Profiling; Client Mapping

Investment Planning

Types of products, Investment planning process.

Tax & Estate Planning

Dividend Tax / Tax on Income Distributed by Mutual Fund; Securities Transaction Tax (STT); Capital Gains Taxation; Taxation of Fixed Deposits and Fixed Maturity Plans; Dividend and Growth Options in Mutual Fund scheme; Wealth Tax Background of Estate Planning: Assets & Liabilities; Nomination; Inheritance Law; Will; Trust

Retirement Planning

Post retirement Objectives, Role of Insurance Products

Developing a Comprehensive Financial plan

Private Banking and family office

Suggested Readings:

- Khan, M.Y., *Financial Services*, Tata McGraw-Hill, New Delhi, 2012.
- Irani, Farouk, *Inside Leasing*, Tata McGraw-Hill Publishing Company Ltd, Latest Edition
- Isom, T.A. and Amembal, S.P., *The Handbook of Leasing Techniques and Analysis*, Petrocelli Books, Latest Edition
- Verma, J.C., *Handbook of Merchant Banking and Financial Services*, Bharat Law House Pvt. Ltd., Latest Edition
- Molver, C. and G. Naylor, *Marketing Financial Service*, Latest Edition.
- Zenoff, David P. *Marketing Financial Services*, Ballinger Publishing Company Ltd., Latest Edition
- M.Raju, *Merchant Banking*, Tata McGraw Hill, New Delhi, Latest Edition
- Hallman, G. Victor and Rosenbloom, Jerry S., *Private Wealth Management*. New York: McGraw Hill. Latest Edition
- Maude, David. *Global Private Banking and Wealth Management: The New Realities*. England: John Wiley & Sons. Latest Edition
- Shanmugam, Bala and Zahari, Zaha Rina. *A Primer on Islamic Finance*. The Research Foundation of CFA Institute. Latest Edition
- Madura, J., *Personal Finance with Financial Planning*, Prentice Hall, Latest Edition

(The list of cases and specific references including recent articles will be announced in the class.)

302 : BUSINESS MANAGEMENT AND STRATEGY

Objectives

This course aims to introduce students to business management and its principles. It aims to take a functional approach to the process of management with a focus on active planning, leading, organizing and controlling and strategy formulation to enable them to strengthen their management skills with an effective balance of theory and practice.

Course Outline

Business Management and Business Environment

Introduction to business management; Management Process; The environmental context of management; Managing change and innovation; Traditional and Contemporary Issues and Challenges in Management

Planning and Decision Making

Basic Elements of Planning; Planning Tools and Techniques; Managing Strategy and Strategic Management.

The Organizing Process

Organisation and Design; Managing Organization Change and Innovation; Managing Human Resources in Organizations

The Leading Process.

Basic Elements of Individual Behaviour in Organizations; Motivation; Leadership

The Controlling Process.

Basic Elements of Control; Operations Management; Evaluating Organisational Performance

Business Strategy and Its Formulation

Introduction; Strategic and Strategic Choices; Environment analysis for corporate strategies and industry analysis for business level strategies. Social, ecological and ethical concerns. Strategy formulation in global context. Internal analysis for corporate and business strategies. Resource based view of the firm and the sources of sustainable competitive advantage. Value chain analysis. Strategic alternatives, risks & rewards. Portfolio and network approaches to strategy formulation.

Strategy Implementation. Structural, cultural and functional aspects of strategy implementation. Managing the strategic change.

Strategy Evaluation. Metrics of strategy evaluation (accounting, financial and market based approaches). Measurement and reporting of strategic performance. The ideas of Triple Bottom Line and Balanced Score Card.

Championing Organisational Innovation and Entrepreneurship. Formal and informal systems of innovation and entrepreneurship and their implications for strategic management. Ideas of *Jugaad* and affordable excellence. Explorations in, “Not by the textbook,” strategic management.

Suggested Readings

- Stephen P. Robbins and Mary Coulter, Management, Prentice Hall, 13th edition, 2013
- Koontz, H. and Weihrich, H, Essentials of Management: An International Perspective, Tata Mcgraw Hill, 8th Edition 2010

- Robbins S. P and Judge, T. A, Organisation Behaviour, Prentice Hall, 15th Edition 2012
- Mullins L, Management and Organisation Behaviour, Pearson Education, Latest Edition
- Gerry Johnson, Richard Whittington, Kevan Scholes and Duncan Angwin, Exploring Strategy Text & Cases, Pearson, 10th edition, 2013
- Wheelen, Thomas L., Hunger, J. David and Hoffman, Alan N. 2014. *Concepts in Strategic Management and Business Policy*. 14th Edition. Boston: Prentice- Hall.
- Johnson, Gerry, Whittington, Richard, Scholes, Kevan and Angwin, Duncan. 2013. *Exploring Strategy- Text and Cases*. 10th Edition. Pearson.

(The list of cases and specific references including recent articles will be announced in the class.)

303: INTERNATIONAL ACCOUNTING

Objective

The Paper aims at imparting knowledge to students with a view to enhancing their employability in the global business system. In the context of global business, students would be equipped not only with the knowledge of international dimensions of accounting, financial reporting and financial control but also with an understanding of existing and evolving solutions for diverse socio-economic and regulatory environment prevalent across nations of the world.

Course Outline:

- International Accounting: Development and Classification
- Global Capital Markets: Initial and Continuous Disclosure requirements
- Comparative Accounting Systems
- Accounting for Foreign Currency Transactions
- International Business Combinations, Consolidations, Collaborations, and Joint Ventures
- Translation of Foreign Currency denominated Financial Statements
- Financial Reporting and Changing Prices
- International Accounting and Auditing Standards
- Harmonization of Accounting Standards
- International Financial Statement Analysis
- Managerial Planning and Control of Global Operations
- Financial Risk Management
- Accounting for Foreign Currency Derivatives
- International Taxation
- International Product Costing and Transfer Pricing

Readings:

- Choi, F. and Meek, G., *International Accounting*, Pearson, London, 7th Edition, 2012.
- Doupnik, T., and Perera, H., *International Accounting*, McGraw-Hill, 3th Edition, 2012.
- International Accounting Standards Board, various publications.
- International Federation of Accountants, various publications.
- Lee H., Redebong P and Sidney, G., *International Accounting and Multinational Enterprises*, John Wiley, Latest Edition.
- Nobes, C., and Parker, R., *Comparative International Accounting*, Prentice-Hall, U.K., 12th Edition, 2012.
- Rathore, S., *International Accounting*, Prentice Hall, New Delhi, 2008.
- Roberts, C., Weetman, P. and Gordon, P., *International Financial Reporting: A Comparative Approach*, Pearson, UK, 2005.
- Saudagaran, S.M., *International Accounting: A User Perspective*, Cengage, 2004.
- Taylor, P., *Consolidated Financial Reporting*, Markus Weinier Publishers, Princeton, Latest Edition.

(The list of cases and specific references including recent articles will be announced in the class.)

304: PORTFOLIO MANAGEMENT

Objectives

To provide the students an in-depth knowledge of financial markets theory and equip them with the necessary skills for the management of asset portfolios.

Course outline:

Portfolio Selection

Setting portfolio objectives, traditional and modern portfolio theory, index models, constant correlation models, alternative portfolio selection models.

Market Efficiency and Asset Pricing

Market Efficiency, theory and empirical tests, Standard CAPM, non-standard forms of CAPM, CAPM anomalies, APT and its extensions, inter-temporal factor models, the Fama-French three factor model, conditional CAPM.

Active Portfolio Management and Performance Evaluation

Portfolio construction, active portfolio management and investment strategies, evaluating portfolio performance.

Portfolio Revision and Insurance

Portfolio revision plans, portfolio insurance using financial derivatives.

Global Investing

Case for international diversification, global asset allocation and global portfolio formation process, recent trends in mature and emerging capital markets.

Specialized Portfolios

Mutual funds, hedge funds, real estate investment trusts, pension and provident funds.

Suggested Readings

- Haugen, R.A., Modern Investment Theory, Pearson Education, Latest Edition.
- Francis, J. and Ibbotson, R., Investment: A Global Perspective, Prentice Hall, Latest Edition.
- Farell, J.L., Portfolio Management Theory and Application, McGraw-Hill, International Edition, Latest Edition.
- Sharpe, W., Alexander, G.J. and Bailey, J.W. Investments, Prentice Hall of India Private Ltd., Latest Edition.
- Elton, J. and Gruber, J., Modern Portfolio Theory and Investment Analysis, John Wiley & Sons, Ninth Edition, 2013.
- Sehgal, Sanjay, Asset Pricing in Indian Stock Market, New Century Publications, Latest Edition.

(The list of cases and specific references including recent articles and research papers will be announced in the class.)

305: FINANCIAL DERIVATIVES & RISK MANAGEMENT

Objectives

The purpose of the course is to introduce the students to various tools and techniques of financial risk management and applications thereof.

Course Outline

Introduction

Types, Participants and functions, Development of exchange traded derivatives, Global derivatives markets, Exchange traded vs. OTC derivatives markets, Derivatives trading in India

Understanding Forwards and Futures Markets

Introduction, Key features of futures contracts, Futures vs. Forwards, Trading, Clearing and Settlement Systems, Determination of futures and forward prices, Hedging Strategies using Futures, Interest rate, Commodity and Currency Futures

Introduction to Options

Options terminology, Types of Options, Options pay off, Properties of Stock Options, Trading Strategies involving options

Pricing of Options

Greeks and Factors affecting options pricing, Option pricing models including Binomial Option Pricing Model and Black Scholes Option Pricing Model, Pricing of index options

Swaps and Forward Rate Agreements

Interest Rate Swaps, Cross Currency Swaps, FRA, Pricing of Swaps, Flavoured Swaps, Equity and Commodity Swaps

Advanced Derivatives

Exotic Options, Swaptions, Credit Derivatives including Credit Linked Notes; Credit Default Swaps; Total Return Swaps, HJM and LMM model of Interest Rate Derivatives, Real Options

Risk management using financial derivatives

Hedging interest rate, foreign exchange and credit risk using derivatives products

Suggested Readings

- Hull, John C., *Options, Futures and Other Derivatives*, Prentice Hall, Latest Edition
- Dubofsky, D.A. and Miller, T.W., Jr., *Derivatives: Valuation and Risk Management*, Oxford, Latest Edition
- Broyles, J., *Financial Management and Real Options*, Wiley, Latest Edition
- Bhalla, V.K., *Financial Derivatives: Risk Management*, New Delhi: S. Chand, Latest Edition.

- Bittman, J.B., *Trading and Hedging with Agricultural Futures and Options*, New York: McGraw Hill, 2008/Latest Edition.
- Briys, E., Bellalah, M., Mai, H.M., & Varenne, F.D., *Options, Futures and Exotic Derivatives*, New Delhi: John Wiley, Latest Edition.
- Chance, D.M., *An Introduction to Derivatives*, Dryden Press, Latest Edition.
- Marshall, J. and Bansal, V., *Financial Engineering*, Prentice Hall Inc., Latest Edition
- Johnson, R.S., & Giaccotto, C. *Options and Futures - Concepts, Strategies and Applications*, New York: West Publishing Company, Latest Edition.
- Chew, L., *Managing Derivative Risk*, John Wiley, Latest Edition.
- Report of Prof. L.C.Gupta, *Committee on Derivatives Trading*
- Kolb, R.W., and Overdahl, J.A., *Financial Derivatives*, New York Institute of Finance, Latest Edition.
- Kolb, R.W., *Options Primer*, Published by John Wiley and Sons, Latest Edition.
- Das, S., *Swap & Derivative Financing*, Probus, Latest Edition.
- Shapiro, A.C., *Multinational Financial Management*, New Delhi: John Wiley, Latest Edition.
- Teall, J.L., & Hasan, I., *Quantitative Methods for Finance and Investments*, London: Blackwell Publishing Ltd., Latest Edition
- Vij M., *Multinational Financial Management*, New Delhi: Excel Books, Latest Edition.
- Vohra, N.D. & Bagri, B.R., *Futures and Options*. New Delhi: Tata McGraw-Hill, Latest Edition.

(The list of cases and specific references including recent articles will be announced in the class.)

306: BUSINESS ANALYTICS

Objectives

This course aims to equip the students with the fundamental concepts of Business Analytics (BA). Upon the completion of the course, the students should be able to evaluate business problems and determine suitable analytical methods, compare different analytics techniques, analyse and validate the results and gain meaning out of large data (data mining) using R platform.

Course Outline

Introduction to Business Analytics

Definition and Evolution of Analytics; Various Applications of Analytics; Essence and Relevance to the industry; Scope and Future of Analytics

Data Sciences

Understanding data and its types; Organization/sources of data; Importance of data quality; Dealing with missing or incomplete data; Data Classification; Introduction to Data Mining Process, Introduction to VBA Tools

R Interface

Introduction to the Workspace; Data Input Output operation; Useful packages; data visualization; data management; exploratory analysis.

Advanced Analytics

Introduction to Predictive Analytics including Multiple Discriminant Analysis and Logistic Regression; Introduction to Segmentation Analysis including Decision Tree (CHAID) and CART; Clustering; K-means Clustering; Neural Network, Introduction to Credit Risk Modelling

Forecasting and Simulation

Qualitative and Judgemental Methods; DELPHI method; Select Time Series Models for Business Forecasting

Decision Making

Optimisation to solve business problems including marketing mix; capital budgeting; portfolio optimization; Decision Trees and Monte Carlo simulation; Utility and Decision making

Suggested Readings

- James R. Evans, *Business Analytics – Methods, Models and Decisions*, 2nd Edition, Prentice Hall, 2013
- S. Christian Albright and Wayne L. Winston, *Business Analytics: Data Analysis & Decision Making*, 5th Edition, Cengage Learning, 2015
- Johannes Ledolter, *Data Mining and Business Analytics with R*, John Wiley & Sons, 2013
- Powell S. G. and Baker K. R. *Management Science: The Art of Modelling with Spreadsheets*, John Wiley & Sons, 3rd Edition, 2010

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307: TAX PLANNING AND MANAGEMENT

Objectives

To update the participants with principles of recent tax laws provisions and to develop an extensive understanding of accepted tax practices and its implications for planning.

Course Outline:

- Nature and Scope of Tax Management
- Corporate Taxation in India
- Dividend Tax
- Securities Transaction Tax
- Special Tax Provisions applicable to Companies in: Trade Free Zones, Infrastructure Sector, Backward Areas
- Concepts of Tax Planning, Tax Management, Tax Avoidance, Tax Evasion, Tax Heavens
- Tax Planning relating to: Setting up of new business, Financial Management decisions, Managerial Remuneration
- Transfer pricing, Double Taxation Relief

Suggested Readings:

- Singhanian, V.K., *Direct Taxes: Law and Practice*, Taxmann Publications, Latest Edition.
- Srinivas. E.A, *Corporate Tax Planning*, Tata McGraw Hill, Latest Edition
- Singhanian, V.K., *Direct Taxes: Planning and Management*, Taxmann Publications, Latest Edition.
- Kanga, J.B., Palikawala, N.A. and Vyas, D., *The Law & Practice of Income Tax*, Latest Edition
- Income Tax Act, 1961.
- Income Tax Rules, 1962.
- Circulars issued by C.B.D.T.
- Income Tax Reports (I.T.R.).
- The Tax and Corporate Law Weekly. Taxmann Publications
- Income Tax Reports, Company Law Institute of India Pvt. Ltd., Chennai.
- The Chartered Accountant Journal.
- Finance Act for the relevant assessment year.
- Ahuja, G.K. and Gupta, R., *Systematic Approach to Income Tax and Central Sales Tax*, Bharat Law House, Latest Edition

(The list of cases and specific references including recent articles will be announced in the class.)

309 : FIXED INCOME SECURITIES & STRUCTURED FINANCE PRODUCTS

Objectives

Provide in-depth knowledge of fixed income securities market and an understanding of fixed income, equity and other structured products along with its applications.

Course Outline

Analysis of Fixed Income Securities

Bond Valuation & Interest rate Models; Yield Curve and Term Structure Analysis Determinants of bond yields; Fixed income derivatives: T-bill, t-note, t-bond derivatives, Euro-bond and municipal bond derivatives, Pricing fixed income derivatives: cost of Carry model – under perfect & imperfect market conditions.

Bond Risk analysis, management & bond portfolio strategies.

Measuring & managing Interest rate risk, currency risk & credit risk; Micro hedging & Macro Hedging; Concept of yield curve risk – passive & active portfolio strategies

Fixed Income Structured Products

Introduction to structured finance products; Concept of Securitization; Fixed income structured finance products; Mortgage backed and asset backed securities; collateralized bond obligations (CBO); Application of structured products in various financial areas

Equity Structured Products

Capital-Guaranteed and High-Yield Products; Principle protected note; Equity trading strategies involving options: Call & Put spreads, Straddle, Calendar spreads. Equity Exotics: Asian options, Barrier options.

Other Structured Derivatives

Complex structured derivatives based on multi-asset payoff (Hybrid Products based on instruments from different asset classes); Effect of correlation between various asset classes on product price.

Credit derivatives

Default Probabilities; Credit derivatives; Credit Default swap (CDS); Credit Linked note (CLN); Modeling default correlations; First to default baskets; Convertible bonds.

Suggested Readings:

- Hull, John C., *Options, Futures and Other Derivatives*, Prentice Hall, Latest Edition
- Suresh M. Sundaresan. *Fixed Income Markets and Their Derivatives*, International Thomson Publishing, Latest Edition
- Frank A Fabozzi. *The handbook of Mortgage backed Securities*. Probus Publishers, Latest Edition
- F.J. Fabozzi. *The Handbook of Fixed Income Securities*. Tata McGraw Latest Edition
- F.J. Fabozzi, *Structured products and related Credit derivatives*, Wiley, Latest Edition

(The list of cases and specific references including recent articles will be announced in the class.)

311: MARKETING MANAGEMENT

Objective

The objective of the course is to familiarize the students with the basic concepts, introduce the key elements in developing a marketing strategy, planning a marketing program and to develop their conceptual and analytical skills to be able to manage marketing operations of a business firm.

Course Outline:

Introduction & Scanning of Marketing Environment

Traditional view of marketing; marketing concept evolution ; Modern concept of marketing; Marketing functions and role; Marketing management process; Significance of scanning marketing environment; Economic, demographic, socio-cultural, technical, political and legal environment of marketing in India.

Consumer/ Buyer behaviour & Market Segmentation

Consumer vs. business buying behaviour; Consumer buying decision process and influences; Psychological influences affecting consumer behaviour; Industrial buying process.; Steps involved in segmentation; Targeting and Positioning: Bases and procedure for segmenting a consumer market; Criteria for effective market segmentation; Target market selection and strategies; Positioning – concept, bases and process.

Management of products, services, and brands

Product concept and classification; Major product decisions; New product development; Consumer adoption and innovation diffusion; Product life cycle – concept and appropriate strategies to be adopted at different stages; Elements of brand personality and brand equity

Pricing, Distribution & Promotion Decisions for Products & services

Procedure; Factors affecting price of a product; Pricing policies and strategies; Objectives of pricing; distribution channel; need for intermediaries; Different types of distributions, middlemen and their functions; supply chain and logistics management; Retailing and wholesaling; Meaning and importance of promotion; Tools of Promotion; determining optimal promotion mix; advertising program; promotional campaign;.

Marketing Planning & control

Marketing Planning, Organizing and Control: Marketing planning process ; Different ways of organizing the marketing department; Sales, cost and profit analysis.

Ethical, legal and social responsibility in marketing:

Significance of ethics in marketing; Consumer Protection in India; Consumer Protection Act; Services marketing, rural marketing, direct marketing, internet marketing and other marketing developments

Suggested Readings:

- Kotler, Philip, and Gary Armstrong, *Principles of Marketing*, Pearson Prentice-Hall Latest Edition
- Kerin, Hartley, and Rudelius, *Marketing*, McGraw-Hill Irwin, 12th Edition 2015
- Etzel, Michael J., Bruce J. Walker and William J. Stanton, *Fundamentals of Marketing*, McGraw Hill, Latest Edition
- McCarthy, E. Jerome, Joseph P. Cannon and William D. Perrault, Jr., *Basic Marketing: A Managerial Approach*, 9th ed., McGraw Hill, Latest Edition
- Keller, Philip, Keller Kevin lane, Koshy Abraham, Jha Mithileshwar, *Marketing Management : A South Asian Perspective*, Latest Edition

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