OUTLINES OF TESTS SYLLABI AND COURSES OF READING

FOR

MFC

(Master of Finance and Control )

(1st and 2nd Semester and Part II)

FOR THE EXAMINATION 2011-12
Note: 1. The duration of the examination in each subject will be 3 hours.
    2. Maximum marks for external/written examination are 80 marks and Internal Assessment is 20 marks.

N.B. Use of non-programmable calculators by the students in the Examination Hall is allowed. The calculators will not be provided by the University.

Instructions to the paper setters:

Maximum Marks: 80.

THERE WILL BE FOUR UNITS: Set 10 questions in all, selecting two or three questions from each unit. The students are required to answer five questions in all selecting at least one question from each unit.

SCHEME OF EXAMINATION

1st SEMESTER

<table>
<thead>
<tr>
<th>Marks</th>
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<tr>
<td>MFC 101</td>
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<td>MFC 102</td>
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<td>MFC 105</td>
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<td>MFC 201</td>
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</table>
**MANAGEMENT FOR ORGANIZATION**  
**MFC – 101**

**Objective:** To understand the basics of management process and concepts in today’s organization.

**UNIT – I**


**UNIT - II**


**UNIT - III**


**UNIT - IV**


**References:**

R. N. Singh, Management Thoughts and Thinkers.  
Koonlz O’ Dannel, Essentials of Management.
BUSINESS ENVIRONMENT
MFC -102

Objective: To make the students conversant with the external business environmental factors that impact the business decision making.

Unit –I
The concept of business environment. The Socio cultural environment.
- Significance Nature & Interaction Matrix of different environmental factors. The process of environmental Scanning.
- Features of Indian Socio-Cultural environment and its implication on industrialization & growth.
- Emergence of new demand for consumer goods and consumerism as an emerging force.
- Social responsibility of business.

Unit-II
The Political Environment
- The constitutional provisions affecting business in India, The preamble, DPS & FR’S.
- The political dimensions of doing business in India.
- The relationships between government & Business.

Unit-III
The Economic Environment
- The philosophy, strategy & planning in India.
- The monetary and fiscal policies and the union budget as an instrument of economic growth.
- The foreign trade policy of India.
- The Industrial policy and the Economic reforms and its impact on Indian Business.
- Globalization & Liberalization: Threats & opportunities for Indian Business.

Unit-IV
The Technological & The International Environment.
- The problem of sophisticated technology in a labour surplus economy, India’s policy for R & D.
- WTO and its impact on Indian Business.
- Role of MNC’S, FII’S, NRI, IMF and World Bank in giving impetus to Indian Business.
- Trade Barriers: Trips & Trims etc and its implication for Indian Business.

References:
1. K. Aswathappa - Business environment for Strategic Management
2. Francis Cheerunitam - Business Environment
3. P. K. Ghosh - Business Policy & Environment
ACCOUNTING FOR MANAGERS
MFC- 103

Objective: To develop understanding of accounting tools and information.

UNIT - I

Accounting and its functions, Accounting Concepts, Accounting Conventions and Accounting Equation. Accounting Process and Generally Accepted Accounting Policies (GAAP). Introduction to Indian Accounting Standards. IFRS and its convergence.

UNIT – II


UNIT – III


UNIT – IV


REFERENCES:

Horngren, Sunden and Ostratton : Introduction to Management Accounting, Prentice Hall of India.
Hilton : Managerial Accounting, Tata McGraw Hill.
ECONOMIC ANALYSIS FOR BUSINESS
MFC-104

Objective: To study the basic concepts and tools of economic analysis as relevant for business decision making.

UNIT-I


UNIT-II

Theory of production- Production function for a single product, technological progress and the production function, production function of a multi product firm. Cost Theory traditional, modern and engineering, empirical evidence on the shape of cost; the relevance of cost theories in business decision making; business cost and incremental costs.

UNIT-III

Market structure and degree of competition. Profit maximizing price and output in the short run and the long run in perfect competition, monopoly, monopolistic and oligopoly. Price Policy; Pricing under multiple products, discriminatory pricing, oligopolistic pricing, oligopolistic inter dependence.

UNIT-IV

Consumption function, multiplier factors affecting the level of aggregate consumption. Role of investment, Investment Demand Schedule, Keynesian and Classical theory of income employment and output. Wages and employment, evaluation of Keynesian theory of employment, Keynesian theory and underdeveloped countries.

References:

A.Koulsoyiannis : Modern Micro- Economics
Hauge, D. C. : Managerial Economics
Demburg, Thomas F. : Macro Economics
Adhikari. M : Business Economics
FINANCIAL SERVICES
MFC - 105

Objective: To provide insight to the structure, working and problems of financial system in India as well as to enable students to appreciate and understand the concepts, mechanism and utility of different financial services.

UNIT – I

An overview of Indian financial system: Introduction, structure, components and mechanism of the financial system. Financial Services: An overview. Introduction to SEBI.

UNIT – II

Merchant Banking: Functions and SEBI regulations and Non Fund-based and Fund-based activities including role in mobilization of funds. Depository Services in India (including regulatory aspects).

UNIT – III

Leasing-Introduction, financial evaluation of lease from lessor’s and lessee’s point of view, lease structuring, Tax, legal and accounting aspects especially in Indian context. Factoring: Features, process and agreement for factoring:

UNIT – IV


REFERENCE:

1. L.M. Bhole    Financial Institutions and Markets
2. J.C. Verna    Merchant Banking Organisation and Management
3. Lalit K. Bansal    Merchant Banking and Financial Services
4. M.Y.Khan    Financial Services
5. V.A. Avadhani    Investment and Securities Markets in India.
Objective: To provide a strong conceptual frame work for the study, understanding, and application of organization behaviour and to apply behavioral techniques to manage human resources in a better manner.

UNIT-I

Introduction :
OB : Fields contributing to OB, Managers' roles and functions, OB in the context of globalization, workforce diversity- challenges and opportunities for O.B.


UNIT-II


Personality and Emotional Quotient (EQ): The Meaning of Personality, Personality Determinants- Personality Traits The big five model, emotional quotient.

Motivation : From concepts to Applications.

UNIT-III

The Group :

UNIT-IV


**Power & Politics**: Definitions of Power-Distinction Between Power and Authority-Bases of Power-Power Structure and Block-impression management-political behaviour in organizations.

**Conflict & Inter Group behaviour & Collaboration**: Sources of Conflict, Intra-individual Conflict, Interpersonal Conflict, Inter-group Behaviour and Conflict, Organizational Conflict. Negotiations-Approaches to Conflict Management-Collaboration.

**Work Stress**: Causes of Stress-Organizational and Extra Organizational Stressors-Group Stressors-Individual Stressors Stress coping Strategies.

**References**:

K. Ashwathappa., Organization Behaviour, Tata McGrew Hill
Uma Sekhran, Organizational Behaviour
Gary Desslar, Organization Theories, Prentice Hall, India
REGULATORY FRAMEWORK FOR BUSINESS  
MFC-202

Objective: The objective of this course is to introduce the students with different legal aspects of business.

UNIT – I

Corporate personality, features of company, registration and incorporation, memorandum of association, articles of association, prospectus, Shares, shareholders and members, share capital. Limited liability partnership.

UNIT – II

Management of companies, directors, their appointment, duties, liabilities and powers, meetings of a company, borrowing power of the company, changes and their registration.

UNIT – III

Objectives of Foreign Exchange Management Act, provisions of FEMA dealing with regulation and management of foreign exchange, economic offences and penalties, intellectual property rights, objectives of SEBI, provisions of SEBI act dealing with takeover and substantial acquisition of shares, buyback of shares and investor protection.

UNIT – IV


References:

Datey, V. S., Student’s guide to Economic Laws 2001. 
Singh, A., Company law, Eastern Book Co. India.
FINANCIAL MANAGEMENT AND POLICY
MFC – 203

Objective: To impart the students a thorough knowledge about the issues involving financing policies and investment decision making in a business.

UNIT – I


UNIT – II

Cost of Capital, Capital Structure and firm value, Capital Structure Decision. Dividend theories; determinants of dividend policy.

UNIT – III


UNIT – IV


References:

James, C. Vanhorne : Financial Management and Policy
OBJECTIVE

This course aims at appraising the students of various quantitative techniques which can facilitate business decision making. This course is to acquaint the applications of operations research to business decision making.

UNIT-I

Introduction to Statistics, Frequency distribution, Measures of Central Tendency, Measures of Dispersion and Skewness. Index Number, Time series analysis.

UNIT-II

Simple correlation and Regression (including Multiple regression)
Probability: Fundamental concepts- random experiment, Event, Mutually exclusive events, Exhaustive events. Definition of probability classical and statistical. Concepts of addition law, multiplication law, conditional probability and Bayes Theorem.

UNIT-III

Theoretical Distribution- Binomial Poisson and Normal characteristics and applications. Tests of Significance: Tests of Hypothesis, Type-I and Type – II errors, null hypothesis and significance tests, Tests concerning mean difference between mean (large and small samples). Concepts and applications of Chi- square, Students and Fisher’s F- Test.

UNIT-IV

Introduction to operation research an overview. Linear programming, (Graphical Method) Linear programming, (Simple Method) Transportation Problem, Assignment Problems.

Inventory and Waiting Line Models
Inventory Control – Deterministic Models and Probability Models

References:

2. Tara Yamene Statistics: An Introductory Analysis
3. M. D. Vohra Quantitative Techniques in Management
4. S. P. Gupta Statistical Method
Objective: The paper attempts to make students understand the role of e-commerce and its utility to the corporate world. The course also makes students learn issues related to implementation of e-commerce in the company.

UNIT - I


UNIT -II


UNIT –III

Electronic payment systems and its role in e-business; types of e-payment systems; Electronic Data Interchange – concepts and role; Issues in Electronic commerce - Security concerns, Taxation concerns, legal concerns.

UNIT –IV


References:

Kalakota, Rave and Shinston Andrew B. : Frontiers of Electronic Commerce. Addison Wesley.
**MFC PART II (2011-2012)**

Note: 1. The duration of the examination in each subject will be 3 hours.
2. Maximum marks for external/written examination are 80 marks and Internal Assessment is 20 marks.

N.B. Use of non programmable calculators by the students in the Examination Hall is allowed. The calculators will not be provided by the University.

Instructions to the paper setters:

Maximum Marks: 80.

THERE WILL BE FOUR UNITS: Set 10 questions in all, selecting two or three questions from each unit. The students are required to answer five questions in all selecting at least one question from each unit.

<table>
<thead>
<tr>
<th>MFC Part-II</th>
<th>Total Marks: 600</th>
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<tbody>
<tr>
<td>MFC-201 MIS and Computer Application in Accounting</td>
<td>Max Marks 100=80+20*</td>
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<tr>
<td>MFC-202 Financial Management and Policy</td>
<td>-do-</td>
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<tr>
<td>MFC-203 Security Analysis and Investment Management</td>
<td>-do-</td>
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<tr>
<td>MFC-204 International Finance</td>
<td>-do-</td>
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<tr>
<td>MFC-205 Viva-Voce (Comprehensive)</td>
<td>Max Marks:100</td>
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<td>MFC-206 Any one of the following:</td>
<td>-do-</td>
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<tr>
<td>i. Training Report and Viva-Voce</td>
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<td>ii. Project Report and Viva-Voce</td>
<td>-do-</td>
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<tr>
<td>iii. Management of Services (Insurance and Banks)</td>
<td>Max Marks:100=80+20*</td>
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<tr>
<td>iv. Management Control System and Corporate Governance</td>
<td>-do-</td>
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<tr>
<td>v. Financial Analysis and Engineering</td>
<td>-do-</td>
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<tr>
<td>vi. International Business</td>
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*These marks constitute internal assessment*
OBJECTIVES: The course is designed to develop skills in identifying and analyzing information needs for managerial decision making. The course aims at harnessing, information technology in various functional areas so as to equip in developing prototype systems; and to develop the abilities of the students to design and evaluate management control system.

UNIT-I

MANAGEMENT INFORMATION SYSTEMS:
- Introduction to Information Systems
- Information Systems for competitive advantage
- Systems approach to problem solving
- Developing, Information system solutions
- Management of Information as a resource
- Technical aspect of Information System
- Managerial overview of telecommunications and database management

UNIT-II
- Transaction processing and reporting systems
- Decision support systems
- Project Planning for M.I.S.
- Systems Analysis and Design
- Implementation, Evaluation and Maintenance of MIS
- Difficulties encountered in MIS Development
- Information Systems in Marketing Operations, HRM, Accounting and Finance

UNIT-III

COMPUTER APPLICATION IN ACCOUNTING:
- Introduction to Computers
- Accounting Information Systems
- Spreadsheet Software and Managerial Application
- Nominal sales and purchase ledger maintenance and reporting
- Sales order processing and reporting – In Web – based business environment.
UNIT-IV

- E – Analysis of financial statements – for External and Internal use.
- Managerial Application of Computers: Computer based Financial System and Inventory System
- Internet and Corporate Finance
- Online Treasury and Cash Management
- Online Share Trading
- E - Banking

REFERENCES:


5. Murdick and Ross, Information System for Management.


OBJECTIVES: To develop a conceptual framework of finance functions and to acquaint the participants with the tools, techniques and process of financial management in the realm of corporate policy decision making.

UNIT-I

UNIT-II

UNIT-III

UNIT-IV

Corporate Restructuring: Merger, Consolidation, Acquisition, Divestiture, Leveraged buy out and spin off. Business failure and reorganization, shareholder value creation.

REFERENCES:
3. Richard A. Breally and Stewart C. Myers : Principals of Corporate Finance
4. I.M. Pandey : Financial Management
5. Prasana Chandra : Financial Management
OBJECTIVES: The objective of this course is to develop a conceptual framework for the study of security analysis and portfolio management.

UNIT-I
Investment Scenario: Concept of Investment, Investment Objectives and Constraints, Security and non-Security Forms of Investment, Investment process, Stock Market in India, Organization and management, listing of securities. Trading and Settlement procedure, Sources of financial information, Investment policies of individuals, institutions and investment companies.

UNIT-II

UNIT-III


UNIT-IV
Options: Definition, Put and Call Options, Determinants of Option Value, Option Valuation Models (Binomial and Black and Schole Model) Valuation of Bonds with put and call options, Futures: Definition, Stock Index Futures, Interest Rates Futures, and Investments, Strategies using options: Evaluation of Option based investment strategies, Risk Association with Options. Application of Index Futures in Portfolio management: Pricing of Index Future Contracts, Application of Index Futures.
REFERENCES:

1. Fredrick Amling : Investments- An Introduction to Analysis and Management, Prentice Hall
OBJECTIVES: To provide insight to the management of financial environment in international context.

UNIT-I: (a) International Financial Environment and International Accounting

(b) International Accounting
Internationalization of accounting profession. Need for international Accounting Standards and critical review Accounting Standards (1, 2, 4, 7-11, 16-23, 25 and 30) set by the International Accounting Standards committee. Harmonization of Accounting Standards.

UNIT-II: Forex Risk Management


UNIT-IV: International Financial Regulation and Strategies

REFERENCES:

1. Rodriquez : International Finance Management
3. Shirin Rathore : International Accounting
4. Shapiro : Multinational Financial Management
5. Apte : International Financial Management
6. V.A.Avadhani : International Financial Theory and Practice
7. Manju Aggarwal : International Finance
VIVA – VOCE

(Comprehensive VIVA – VOCE based on the curriculum of both the years of MFC)

MFC 206:

Any One of the following:

i) Training Report and Viva-Voce
ii) Project Report and Viva-Voce
iii) Management of Services (Insurance and Banks)
iv) Management Control System and Corporate Governance
v) Financial Analysis and Engineering
vi) International Business
MFC-206 (iii) MANAGEMENT OF SERVICE-(BANKING AND INSURANCE)

Max Marks: 80

OBJECTIVES: The course will apprise the students with the management of banking and insurance.

UNIT-I

UNIT-II

UNIT-III

UNIT-IV

BOOKS FOR REFERENCES:

1. NCAER : Attitude Towards Insurance Cover
2. R.S. Sharma : Insurance Principles and Practice
3. S.P. Sharma : Organization of Indian Insurance
4. N.N. Misra : Insurance Principles and Practice
5. S.S. Heubnes & Kemnch Black : Life Insurance
7. S.R. Deva : Law and Practice of Banking
8. H.L. Tandon : Banking Law and Practice in India
9. P.N. Varshney : Banking Law and Practice
10. Reed Cottors : Commercial Banking
11. Joshi : Managing Indian Banks
13. Richard Hands Combe : Banker’s Management
MFC-206 (iv) MANAGEMENT CONTROL SYSTEM AND CORPORATE GOVERNANCE

Max Marks: 80

UNIT-I


UNIT-II


UNIT-III


UNIT-IV

Corporate Governance-Global perspective, committee’s on Corporate Governance; Cadbury Committee on financial aspects of Corporate Governance. Green Bury Committee on Director’s Remuneration. OECD principles of Corporate Governance. CACH Guidelines on Principles of Corporate Governance and Global Corporate Governance forum, Hampel Committee Report.
Corporate Governance in India, The Companies (Amendment) Act, 1999; Securities Laws (Amendment) Act, 1999, Committee’s on Corporate Governance; CII Code-Desirable Corporate Governance (1998 Kumar Mangalam Birla Committee on Corporate Governance, 2001), Companies (Appointment of Small Shareholders’ Director) Rules, 2001 and SEBI efforts for Corporate Governance, recent developments.

REFERENCES:

1. Usey and Hammer: Cost Accounting: Planning and Control
2. Morse and Rodh: Cost Accounting: Processing, Evaluation and Using Cost, Data
3. Robert N. Anthony: Management Control System
4. Horgrew and Datar: Cost Accounting-A Managerial Emphasis
5. Edwin H. Caplan: Managements Accounting and Behaviour Science
6. Homgren and Foster: Cost Accounting-A Managerial Emphasis
10. N. Balasubramanian: Corporate Board and Governance (N.D. Steling Pub. 1998)

JOURNALS:

1. Harvard Business Review
2. Chartered Accountant
3. Chartered Financial Analyst
4. Chartered Secretary
5. Management Accountant
6. SEBI and Corporate Laws
Objective: The course aims at enabling the students to understand and analyse financial problems and developing their skills for solutions of these problems with the help of innovative financial processes, instruments and strategies. This course also helps in developing skills to analyse and interprets financial statements.

UNIT-I


UNIT-II

Profitability Analysis: Analysing company profitability, revenues, cost of sales and expenses. Calculating and disaggregating rate on return on assets and rate of return on capital employed. Earnings quality and earnings persistence.

Valuation: Cash Flow Based- Periodic cash flow, residual value and cost of capital Earnings based Development of theoretical model, theoretical Vs actual P/E ratios, application of theoretical P/E model.

Analysis of financial statement in the context of forecasting, distress analysis and corporate restructuring. Analysing the impact of inflation and intangibles on financial statements.

UNIT-III

Introduction of financial engineering, factors contributing to the growth of financial engineering.

Knowledge base and skills required for financial engineering.

Physical tools of the financial manager, product development, futures, forwards, swaps and options, Debt market innovations, Equity and Equity related instruments.
UNIT-IV

Financial Engineering processes and strategies, asset liability management, hedging and related risk management techniques, corporate restructuring, leveraged buyouts, tax driven deals, takeovers, synthetic instruments.

Future directions in financial engineering. Effect of globalisation and technology on financial engineering. Legal aspects of innovative financial products.

REFERENCES:

1. George Foster : Financial Statement Analysis (Prentice Hall)
6. Terry J. Watsham, Thomson : Futures and Options in Risk Management
OBJECTIVES:  The objective of this course is to acquaint the students with the current India’s foreign trade policies and the economic aspects relating to international trade. Further providing an understanding of Export Financing. Export –Import Procedures and the various operations involved. The main emphasis is also laid on developing a systematic approach to handle foreign trade transaction. The course will provide an understanding of the theories of trade, different monetary institutions and the economic environment for international trade.

UNIT-I


100% Export Oriented Units, special export zones; Export House/Trading House/Star Trading House/Super Star Trading House: Role of State Trading in Exports; Foreign Direct investment in India, An overview; Foreign collaboration; Project & Consultancy Exports.

UNIT-II


UNIT-III


Foreign Trade Multiples; Free Trade Vs Protection; Tariffs and Non-Tariffs Business to Trade; Foreign Exchange Market; International Financial Market; Recent changes in International Money & Capital Markets.
UNIT-IV


Structure of International Economic & Monetary System, WTO; Emerging issues & implications on India’s trade; UNCTAD, IMF: Structure & Functions. International liquidity, IBRD. IDA. ADB its structure, functions & role.

REFERENCES:

5. G.S. Lall : Financing of Foreign Trade & Foreign Exchange
6. Foreign Exchange Manual, RBI
7. Deepak Nayyar : Indian Export & Import Policies
10. B.O. Soderston & Geoffrey : International Economics
11. Kindlebenger : International Economics
13. Kraurs (cd.) : The Economic of Integrates
15. Singer, Hatti Tandon : International Commodity Policy
19. Foreign Exchange Manual “Reserve Bank of India”.

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