Course Code	FINANCIAL MANAGEMENT		
Teaching Hours/Week (L:T:P)	20MBA22	CIE Marks	40
Credits	3:0:2	SEE Marks	60
	04	Exam Hours	03

Course Objectives:

1. To familiarize the students with basic concepts of financial management and financial system.
2. To understand concept of time value of money and its implication.
3. To evaluate the investment proposals.
4. To understand the management of working capital in an organization.
5. To analyze capital structure and dividend decision.

Module-1 Introduction **9 hours**

Meaning and objectives of Financial Management, changing role of finance managers. Interface of Financial Management with other functional areas. Indian Financial System: Financial markets, Financial Instruments, Financial institutions and financial services. Emerging issues in Financial Management: Risk Management, Behavioural Finance, Financial Engineering, Derivatives (Theory).

Module-2 Time value of money **9 hours**

Meaning of Time value of money –Future value of single cash flow & annuity, present value of single cash flow, annuity & perpetuity. Simple interest & Compound interest, Capital recovery & loan amortization. (Theory & Problem). Case Study on Loan amortization. Computer lab for calculation of future value, present value and loan amortisation in MS excel.

Module-3 **9 hours**

Sources of Financing: Shares, Debentures, Term loans, Lease financing, Hybrid financing, Venture Capital, Angel investing and private equity, Warrants and convertibles (Theory Only). **Cost of Capital:** Basic concepts. Cost of debenture capital, cost of preferential capital, cost of term loans, cost of equity capital (Dividend discounting and CAPM model) - Cost of retained earnings - Determination of Weighted average cost of capital (WACC) and Marginal cost of capital. (Theory & Problem). Case Study on WACC.

Module-4 Investment Decisions **9 hours**

Capital budgeting process, Investment evaluation techniques – [Net present value, Internal rate of return, Modified internal rate of return, Profitability index, Payback period, discounted payback period, accounting rate of return Problem). Risk analysis in capital budgeting-Case Study on replacement of capital project. (Numerical problems). Computer lab for calculation of NPV, IRR, PI, Payback period, ARR in MS excel.

Module-5 Working Capital Management **7 hours**

Factors influencing working capital requirements - Current asset policy and current asset finance policy- **Determination of operating cycle and cash cycle on Excel-** Estimation of working capital requirements of a firm. (Does not include Cash, Inventory & Receivables Management). Case study on Working Capital Determination and the impact of negative working capital Amazon-negative working capital and profitability. Computer lab for calculation of working capital cycle and operating cycle in MS excel.

Module-6 Capital structure and dividend decisions **7 hours**

Capital structure and dividend decisions – Planning the capital structure-Governance of Equity and Debt, Fall in interest rates and perils of Debt funding. Leverages, EBIT and EPS analysis. ROI & ROE analysis. Capital structure policy. Dividend policy – Factors affecting the dividend policy - Dividend Policies- Stable Dividend, Stable Payout (No dividend theories to be covered). Case Study on EBIT-EPS analysis & Leverages.

Course outcomes:

At the end of the course the student will be able to:

1. Understand the basic financial concepts
2. Apply time value of money
3. Evaluate the investment decisions
4. Estimate working capital requirements
5. Analyze the capital structure and dividend decisions

Practical Components:

- Identifying the small or medium sized companies and understanding the Investment evaluation techniques used by them.
- Using the annual reports of selected companies, students can study the working capital management employed by them. Students can also compare the working capital management of companies in the same sector.
- Students can choose the companies that have gone for stock split and Bonus issue in the last few years and study the impact of the same on the stock price.
- Students can study any five companies capital structure
- Students can do Company analysis for select companies using profitability and liquidity ratios.

CO-PO MAPPING

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2	X	X			
CO3	X		X		
CO4	X		X	X	
CO5	X		X		

Question paper pattern:

The SEE question paper will be set for 100 marks and the marks scored will be proportionately reduced to 60.

- The question paper will have 8 full questions carrying equal marks.
- Each full question is for 20 marks.
- Each full question will have sub question covering all the topics under a Module.
- The students will have to answer five full questions; selecting four full question from question number one to seven and question number eight is compulsory.
- 40 percent theory and 60 percent problems in the SEE.

Textbooks

Sl. No.	Title of the book	Name of the Author/s	Publisher Name	Edition and year
1	Financial Management	Khan M. Y.& Jain P. K,	TMH	7/e,
2	Financial Management	Prasanna Chandra	TMH	9/e,
3	Financial Management	Prahlad Rathod ,Babitha Thimmaiah and Harish Babu	HPH	1/e, 2015
4	Financial Management: A Strategic Perspective	Nikhil Chandra Shil & Bhagaban Das	Sage Publications	1/e, 2016

Reference Books

1	Financial Management	I M Pandey	Vikas Publishing	11/e, 2012
2	Principles of Corporate Finance	Brealey, Myers, Allen & Mohanty	McGraw Hill Education	11/e, 2014
3	Cases in Financial Management	I.M.Pandey & Ramesh Bhat	McGraw Hill Education	3/e, 2015
4	Corporate Finance	Vishwanath S. R.	Sage Publications	3/e, 2019

DEAN
Dept. of Business Administration
Alva's Institute of Engg. & Technology
MIJAR – 574 225

ADVANCED FINANCIAL MANAGEMENT			
Course Code	20MBAFM306	CIE Marks	40
Teaching Hours/Week (L:T:P)	3:0:2	SEE Marks	60
Credits	04	Exam Hours	03

Course Objectives

1. To understand the concept capital structure and capital structure theories.
2. To assess the dividend policy of the firm.
3. To be aware of the management of working capital and its financing.
4. To understand the techniques of managing different components of working capital.

Module -1 Capital Structure Decisions **9 hours**

Capital structure & market value of a firm. Theories of capital structure – NI approach, NOI approach, Modigliani Miller approach, Traditional approach. Planning the capital structure: EBIT and EPS analysis. ROI & ROE analysis. (Theory and Problems).

Module -2 Dividend Policy **9 hours**

Dividend policy – Theories of dividend policy: relevance and irrelevance dividend decision. Walter's & Gordon's model, Modigliani & Miller approach. Dividend policies – stable dividend, stable payout and growth. Bonus shares and stock split corporate dividend behavior. (Theory and Problems).

Module -3 Working Capital Management Policy **9 hours**

Working capital management – Determination of level of current assets. Sources for financing working capital. Bank finance for working capital. (No problems on estimation of working capital). Working capital financing: Short term financing of working capital, long term financing of working capital. Working capital leverage. (Theory).

Module -4 Inventory Management **7 hours**

Inventory Management: Determinations of inventory control levels: ordering, reordering, danger level. EOQ model. Pricing of raw material. Monitoring and control of inventories, ABC Analysis. (Theory and problems)

Module -5 Receivables Management **7 hours**

Receivables Management – Credit management through credit policy variables, marginal analysis, Credit evaluation: Numerical credit scoring and Discriminate analysis. Control of accounts receivables, Problems on credit granting decision. (Theory and Problems)

Module-6 Cash Management **9 hours**

Cash Management – Forecasting cash flows – Cash budgets, long-term cash forecasting, monitoring collections and receivables, optimal cash balances – Baumol model, Miller-Orr model, Strategies for managing surplus fund. (Theory and Problems)

Course outcomes:

At the end of the course the student will be able to:

1. Get an overview of capital structure theories.
2. Understand and assess the dividend policy of the firm.
3. Realize the importance of management of working capital in an organization.
4. Be aware of the techniques of cash, inventory and receivables management

Practical Component:

- Study the working capital financing provided by a Bank and submit the report on the same.
- Study the annual report of any two companies and prepare a cash budget for next year.
- Study dividend policy of companies and its impact on shareholders' wealth.
- Study implications of bonus issues/stock splits of companies.

CO-PO MAPPING

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2	X			X	
CO3	X				
CO4	X				X

Question paper pattern:

The SEE question paper will be set for 100 marks and the marks scored will be proportionately reduced to 60.

- The question paper will have 8 full questions carrying equal marks.
- Each full question is for 20 marks.
- Each full question will have sub question covering all the topics under a Module.
- The students will have to answer five full questions; selecting four full question from question number one to seven and question number eight is compulsory.
- 40 percent theory and 60 percent problems in the SEE.

Textbooks

Sl. No.	Title of the book	Name of the Author/s	Publisher Name	Edition and year
1	Financial Management	M.Y.Khan & P.K.Jain	TMH	6/e, 2011
2	Financial Management	Prasanna Chandra	TMH	8/e, 2011
3	Corporate Finance-Text and Cases	Vishwanath S.R.	Sage Publishing	3/e, 2019

Reference Books

1	Financial Management & Policy	Vanhorne	Pearson	12/e,
2	Financial Planning: Theory and Practice	Sid Mittra, Shailendra Kumar Rai, Anandi P Sahu & Harry Starn, Jr.	Sage Publishing	1/e, 2015
3	Financial Management-A	Rajesh Kothari	Sage Publishing	2/e, 2017

BANKING & FINANCIAL SERVICES			
Course Code	20MBAFM305	CIE Marks	40
Teaching Hours/Week (L:T:P)	3:0:2	SEE Marks	60
Credits	04	Exam Hours	03

Course Objectives:

1. To understand the structure and functions of central and Commercial banking in India.
2. To learn the functions of various financial services in India.

Module-1 Structure of Banking in India **7 hours**

Structure of Banking in India: Functions of RBI, Monetary system, Sources of funds, Quantitative and qualitative measures of credit control. Banking sector reforms, Bank performance analysis and Future of Banking.(Theory)

Module -2 Commercial Banking **9 hours**

Commercial Banking: Structure, Functions - Primary & secondary function, Role of commercial banks in socio-economic development, Services rendered. Banking Technology- Concept of Universal Banking-Home banking – ATMs-Internet Banking – Mobile Banking-Core Banking Solutions–Debit, Credit and Smart Cards– Electronic Payment systems-MICR- Cheque Truncation-ECS- EFT – NEFT-RTGS. (Theory)

Module -3 Merchant Banking **9 hours**

Merchant Banking: Categories, Services offered, Issue management – Pre and Post issue management, Issue pricing, preparation of prospectus, Issue Management, Underwriting, Private Placement, Book Building Vs. Fixed price issues.(Theory)

Module -4 NBFCs; Micro-finance; Leasing & Hire Purchase Banking **9 hours**

A. NBFCs: An Overview -Types of NBFCs in India-Regulatory framework.
B. Micro-finance: Models, Services, Challenges.
C. Leasing & Hire Purchase: Concept, Types, Evaluation. Problems in Evaluation of Leasing & Hire Purchase. (Theory& Problems)

Module -5 Credit Rating; Venture Capital; Depository System & Securitisation of Debt **9 hours**

A. Credit Rating: Meaning, Process, Methodology, Agencies And Symbols.
B. Venture Capital: Concept, Features, Process. Stages, Performance of Venture Capital Funded Companies In India.(Theory)
C. Depository System: Objectives, Activities, NSDL& CDSL. Process of Clearing and Settlement.
D. Securitization of Debt: Meaning, process, Types, Benefits. (Theory)

Module-6 Mutual Funds **7 hours**

Meaning, Structure, Functions, Participants, Types of Funds, Types of Schemes, Performance of Mutual Funds, Regulations for Mutual Funds.

Course outcomes:

At the end of the course the student will be able to:

1. The Student will be acquainted to various Banking and Non-Banking financial services in India.
2. The Student will understand the activities of Merchant Banking and credit rating.
3. The Student will be equipped to understand micro financing and other financial services in India.
4. The Student will understand how to evaluate and compare leasing & hire purchase.

Practical Components:

- Study and compare the performance of Public and private sector banks.
- Issue management: Study the recent public issues.
- Factoring and forfeiting business in India.
- Venture capital funding and start up challenges.
- Status of securitization in India

CO-PO MAPPING

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2	X			X	
CO3	X				X
CO4	X			X	

Question paper pattern:

The SEE question paper will be set for 100 marks and the marks scored will be proportionately reduced to 60.

- The question paper will have 8 full questions carrying equal marks.
- Each full question is for 20 marks.
- Each full question will have sub question covering all the topics under a Module.
- The students will have to answer five full questions; selecting four full question from question number one to seven and question number eight is compulsory.
- 80 percent theory and 20 percent problems in the SEE.

Textbook/ Textbooks

Sl. No.	Title of the book	Name of the Author/s	Publisher Name	Edition and year
1	Financial services	Khan M Y	McGraw Hill	6/e
2	Banking and Financial Services	Mukund Sharma	Himalaya Publishing House	2015
3	Financial Services in India: Concept and Application	Rajesh Kothari	Sage Publications	1/e, 2010
Reference Books				
1	Financial Markets and Services	Gordon & Natarajan	Himalaya Publishing House	7/, 2011
2	Merchant Banking & Financial	Vij & Dhavan	McGraw Hill	1/e, 2011
3	Investment Banking	Pratap G Subramanyam	Tata McGraw Hill	2012
4	Behavioural Finance	Sujata Kapoor & Jaya Mamta Prosad	Sage Publications	1/ e, 2019

FINANCIAL DERIVATIVES			
Course Code	20MBAFM402	CIE Marks	40
Teaching Hours/Week (L:T:P)	3:0:0	SEE Marks	60
Credits	03	Exam Hours	03

Course Objectives

1. To understand various concepts and terminologies used in various financial derivatives.
2. To explain and critically evaluate various financial derivatives such as forwards, futures, options, financial swaps, credit derivatives etc.
3. To apply various financial derivatives in hedging risk and analyse it.

Module-1 Financial Derivatives **5 hours**

Meaning, benefits, types (both exchange traded and OTC traded) and features of financial derivatives-Factors causing growth of derivatives-functions of derivatives market-Derivative market players (Hedgers, speculators and arbitragers)-Derivatives market in India. (Theory).

Module -2 Futures and Forwards **7 hours**

Futures and Forwards: Meaning, features and types of futures/forwards-Futures vs Forwards-Mechanics of buying and selling futures/forwards-Hedging through futures/forwards-Marking-to-market process-contract specifications of stock, index and commodity futures–valuation of futures/forwards using cost of carry model-Arbitrage process-Interest Rate Futures & options. (Numerical problems on MTM and valuation of futures/forwards). (Theory and Problems).

Module -3 Option Contracts **7 hours**

Option Contracts: Meaning, features and types of option contracts-Options vs futures/forwards-Mechanics of buying and selling option contracts-contract specifications of stock, index and commodity options-Option pricing-factors affecting option pricing-Valuation of option contracts using Black Scholes model and Binomial model-Put-call parity theory-Option Greeks-Option Trading strategies-Interest rate options-Exotic options. (Numerical problems on all aspects except exotic options). (Theory and Problems).

Module -4 Financial Swaps **7 hours**

Meaning, features and advantages of financial swaps-Types of financial swaps (Interest rate swap, currency swap, equity swap and commodity swap)-Mechanics of interest rate swaps– Triangular swap (Numerical problems only on interest rate swap including triangular swap)-valuation of interest rate swaps- Only theory. (Theory and Problems).

Module -5 Commodity Derivative Market **7 hours**

Commodity Derivative Market: Meaning of commodity derivatives-Commodity derivative exchanges (with commodities traded) in India-Trading and settlement system of commodity derivatives-SEBI Guidelines for commodity market-commodities traded. (Theory).

Module -6 Credit Derivatives and VaR **7 hours**

Credit Derivatives-Total Return Swap (TRS)-Credit Default Swap (CDS)-Types of CDS-Asset Backed Securities (ABS)-Collateralised Debt Obligation (CDO)-Sub-Prime Crisis-2007-Credit Spread Options-Probability of Default- Forward Rate Agreement (FRA)-Interest Rate Caps/Floors/Collars-Types of Interest Rates-Zero Rate-Forward Rate-Value-at-Risk-Meaning, VaR Models-Stress testing and back testing. (Numerical problems only on VaR, Zero Rate and Forward rate). (Theory and Problems).

Course outcomes:

At the end of the course the student will be able to:

- Understand the mechanism of forwards/futures, options, financial swaps, various credit derivatives and VaR with their features, merits and demerits.
- Assess the application of forwards/futures, options, financial swaps, various credit derivatives and VaR using numerical problems.
- Application of financial derivatives in risk management.
- Critically evaluate various financial derivatives.

Practical Component:

- Visit the website of FEDAI and understand the regulations for Commodity Exchanges
- Visit the MCX/NCDEX and understand the their trading and settlement
- Visit the banks and understand the their foreign exchange transactions.
- Undesatnd how different types of qoutations helpful to the participants in Forex

- Undesatnd what is the implication of financial derivatives
- Compile and analyze few Futures, Forward Option contract documents
- Visit MCX portal and study its trading and settlement process
- Study the different types of option and Future contracts traded on NSE

CO-PO MAPPING

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2	X			X	
CO3	X			X	
CO4	X			X	

Question paper pattern:

The SEE question paper will be set for 100 marks and the marks scored will be proportionately reduced to 60.

- The question paper will have 8 full questions carrying equal marks.
- Each full question is for 20 marks.
- Each full question will have sub question covering all the topics under a Module.
- The students will have to answer five full questions; selecting four full question from question number one to seven and question number eight is compulsory.
- 40 percent theory and 60 percent problems in SEE.

Textbooks

Sl. No.	Title of the book	Name of the Author/s	Publisher Name	Edition and year
1	Options, Futures & Other Derivatives	John C. Hull	Pearson Education	
2	Financial Derivatives-Text and Cases	Prakash Yaragol	Vikas Publishing House Pvt. Ltd.	1/e, 2019

Reference Books

1	Options & Futures	Vohra & Bagri	TMH	2/e
2	Derivatives-Principles and Practice	Sundaram & Das	McGraw Hill	
3	Derivatives and Risk Management	Rajiv Srivastava	Oxford University	2010

INTERNATIONAL FINANCIAL MANAGEMENT			
Course Code	20MBAFM406	CIE Marks	40
Teaching Hours/Week (L:T:P)	3:0:0	SEE Marks	60
Credits	03	Exam Hours	03

Course Objectives:

1. To understand the International Financial Environment and the Foreign Exchange market.
2. To learn hedging and Forex risk management.
3. To learn the Firm's Exposure to risk in International environment and various theories associated with it.

Module -1 International Financial Environment — **7 hours**

Importance, rewards & risk of international finance- Goals of MNC- International Business methods. Balance of Payments (BoP), Fundamentals of BoP, Accounting components of BOP, Equilibrium & Disequilibrium, International Monetary System: Evolution, Gold Standard, Bretton Woods system, the flexible exchange rate regime, the current exchange rate arrangements, the Economic and Monetary Union (EMU).(Only Theory).

Module -2 Foreign Exchange Market — **7 hours**

Function and Structure of the Forex markets, Foreign exchange market participants, Types of transactions and Settlements Dates, Exchange rate quotations, Determination of Exchange rates in Spot markets. Exchange rates determinations in Forward markets. Exchange rate behaviour-Cross Rates- - Bid – Ask – Spread (Theory & Problems).

Module -3 Foreign Exchange Risk Management — **7 hours**

Hedging against foreign exchange exposure – Forward Market- Futures Market- Options Market- Currency Swaps-Interest Rate Swap- problems on both two-way and three-way swaps. (Theory & Problems).

Module -4 International Financial Markets and Instruments — **5 hours**

: Foreign Portfolio Investment. International Bond & Equity market. GDR, ADR, International Financial Instruments: Foreign Bonds & Eurobonds, Global Bonds. Floating rate Notes, Zero coupon Bonds, International Money Markets, International Banking services –Correspondent Bank, Representative offices, Foreign Branches. Forward Rate Agreements. (Only Theory).

Module -5 Forecasting Foreign Exchange rate — **7 hours**

International Parity Relationships, Measuring exchange rate movements-Exchange rate equilibrium –Factors effecting foreign exchange rate- Forecasting foreign exchange rates. Interest Rate Parity, Purchasing Power Parity &International Fisher effects, Arbitrage, Types of Arbitrage – Locational, Triangular and Covered Interest Arbitrage. (Theory & Problems).

Module-6 Foreign Exchange exposure — **7 hours**

Foreign Exchange exposure: Management of Transaction exposure-Management of Translation exposure-Management of Economic exposure-Management of political Exposure- Management of Interest rate exposure.
International Capital Budgeting: Concept, Evaluation of a project.
(Theory & Problems).

Course outcomes:

At the end of the course the student will be able to:

1. The student will have an understanding of the International Financial Environment.
2. The student will learn about the foreign exchange market, participants and transactions.
3. The student will be able to use derivatives in foreign exchange risk management.
4. The student will be able to evaluate the Firm's Exposure to risk in International environment and various theories associated with it.

Practical Components:

- Visit the foreign exchange department of a bank, study the operations and submit a report
- Track and analyze the rupee exchange value against Dollar and Euro in spot and forward markets for one week and record the observations.
- Study the different types of swaps used in Foreign Exchange Market
- Visit the foreign exchange department of a bank, study the operations and submit a report
- Track and analyze the rupee exchange value against Dollar and Euro in spot and forward markets for one week and record the observations

CO-PO MAPPING

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2	X			X	X
CO3	X			X	
CO4	X		X		X

Question paper pattern:

The SEE question paper will be set for 100 marks and the marks scored will be proportionately reduced to 60.

- The question paper will have 8 full questions carrying equal marks.
- Each full question is for 20 marks.
- Each full question will have sub question covering all the topics under a Module.
- The students will have to answer five full questions; selecting four full question from question number one to seven and question number eight is compulsory.
- 40 percent theory and 60 percent problems in the SEE.

Textbooks

Sl. No.	Title of the book	Name of the Author/s	Publisher Name	Edition and year
1	International Corporate Finance	Jeff madura	Cengage Learning	10/e 2012
2	International Finance Management	Eun & Resnick	Tata McGraw Hill	4/e, 2014
3	Financing International Trade: Banking Theories and Applications	Gargi Sanati	Sage Publication	1/e, 2017

Reference Books

1	International Financial Management	Apte P. G	Tata McGraw Hill	6/e, 2011
2	International Financial Management	MadhuVij	Excel Books	2010
3	International Financial Management	Thummuluri Siddaiah	Pearson India	1/e, 2009

FINANCE SPECIALISATION COURSES

INVESTMENT MANAGEMENT

Course Code	20MBAFM303	CIE Marks	40
Teaching Hours/Week (L:T:P)	3:0:2	SEE Marks	60
Credits	04	Exam Hours	03

Course Objectives

1. To understand the capital market and various instruments for investment.
2. Learn valuation of equity, debt and mutual funds.
3. To learn theories of portfolio management.
4. To learn diversification of securities for risk return trade off in capital market.
5. To lean portfolio construction for retail investors, high net worth individuals, mutual funds.

Module -1 Introduction to Investment **7 hours**

Investment Avenues, Attributes, Investor V/s speculator, Features of a good Investment, Investment Process. Financial Instruments: Money Market Instruments, Capital Market Instruments, Derivatives.

Securities Market: Primary Market, Secondary Market. Stock Market Indicators- Indices of Indian Stock Exchanges (only Theory).

Module -2 **7 hours**

Return and Risk Concepts: Concept of return, individual security returns, rate of return, Concept of Risk, Causes of Risk, Types of Risk- Systematic risk- Market Price Risk, Interest Rate Risk, Purchasing Power Risk, Unsystematic Risk- Business risk, Financial Risk, Insolvency Risk, Risk-Return Relationship, Concept of diversifiable risk and non-diversifiable risk. Calculation of Return and Risk of Individual Security (Theory & Problems).

Module -3 Valuation of Securities **9 hours**

Bond features, Types of Bonds, Determinants of interest rates, Bond Valuation, Bond Duration, Bond Management Strategies. Preference Shares- Concept, Features, Valuation. Equity Shares- Concept, Valuation, Dividend Valuation Models, P/E Ratio valuation model. (Theory & Problems).

Module -4 **7 hours**

Macro-Economic and Industry Analysis: Fundamental analysis-EIC Frame Work, Economy Analysis, Industry Analysis, Company Analysis- Financial Statement Analysis.

Market Efficiency: Efficient Market Hypothesis, Forms of Market Efficiency, Empirical test for different forms of market efficiency.

Technical Analysis – Concept, Theories- Dow Theory, Eliot Wave theory. Charts-Types, Trends and Trend Reversal Patterns. Mathematical Indicators –Moving Average Convergence-Divergence, Relative Strength Index (Theory only).

Module -5 Modern Portfolio Theory **11 hours**

Markowitz Model- Diversification, Portfolio Return, Portfolio Risk, Efficient Frontier. Sharpe's Single Index Model, Capital Asset Pricing Model: Assumptions, CAPM Equation, Capital Market Line, Security Market Line, CML V/s SML. Sharpe's Optimum Portfolio Construction. Arbitrage Pricing Theory: Equation, Assumption, CAPM V/s APT (Theory & Problems).

Module-6 Portfolio Management Strategies and Performance Evaluation **9 hours**

Portfolio Management Strategies: Active and Passive Portfolio Management strategy. Portfolio Revision: Portfolio Revision Strategies – Objectives, Performance plans. **Mutual Funds**: Concept of Mutual Funds, Participants in Mutual Funds, Advantages of Investment in Mutual Fund, Measure of Mutual Fund Performance. **Portfolio performance Evaluation:** Measures of portfolio performance (Theory & Problems).

Course outcomes:

At the end of the course the student will be able to:

1. The student will understand the capital market and various Instruments for Investment.
2. The learner will be able to assess the risk and return associated with investments and methods to value securities.
3. The student will be able to analyse the Economy, Industry and Company framework for Investment Management.
4. The student will learn the theories of Portfolio management and also the tools and techniques for efficient portfolio management.

CO-PO MAPPING

Practical Components:

• Each student will be given a virtual cash of Rs.10 Lakhs and they will be asked to invest in equity shares based on fundamental analysis throughout the semester. At the end the best investment will be awarded based on the final net worth. Virtual on line trading account can be opened for the student and every week 2 hours can be allotted to invest, monitor and evaluate.

• Students should study the stock market pages from business press and calculate the risk and return of selected companies.

• Students can do a macro economy using GDP growth.

• Students' are expected to do Industry analysis for specific sectors.

• Students can do Company analysis for select companies using profitability and liquidity ratios.

• Practice technical analysis using Japanese candle sticks.

CO	PO				
	PO1	PO2	PO3	PO4	PO5
CO1	X				
CO2	X			X	X
CO3	X				X
CO4	X			X	

Question paper pattern:

The SEE question paper will be set for 100 marks and the marks scored will be proportionately reduced to 60.

- The question paper will have 8 full questions carrying equal marks.
- Each full question is for 20 marks.
- Each full question will have sub question covering all the topics under a Module.
- The students will have to answer five full questions; selecting four full question from question number one to seven and question number eight is compulsory.

40 percent theory and 60 percent problems in the SEE.

Textbook/ Textbooks

Sl. No.	Title of the book	Name of the Author/s	Publisher Name	Edition and year
1	Investment Analysis and Portfolio management	Prasanna Chandra	Tata McGraw Hill Education	3/e, 2010
2	Investments	ZviBodie, Kane, Marcus & Mohanty	Tata McGraw Hill Education	8/e, 2010
3	Security Analysis & Portfolio Management	J Kevin	Tata McGraw Hill Education	2014

Reference Books

1	Analysis of Investments & Management	Reilly & Brown	Cengage Publications,	10e/2017
2	Security Analysis & Portfolio Management	Punithavathy Ehavathy Pandian	Vikas Publications	2/e, 201/8
3	Investment management (Security Analysis and & Portfolio Management)	Bhalla V.K.	Vikas Publications	19/e, 2018