

UNIVERSITY OF DELHI
Bachelor of Vocation
(Banking, Financial Services, and Insurance)
Ramanujan College



Revised Syllabus as approved by

Academic Council

Date:

No:

Executive Council

Date:

No:

1. ABOUT B.VOC. (BFSI) PROGRAMME

The Bachelor of Vocation (Banking, Financial Services, and Insurance) [B.Voc. (BFSI)] is a four-year honours with research program designed to develop analytical skills in the field of financial services. Since its inception in 2016, the program has focused to create financial expertise to contribute in fast evolving economy of India in the following specific fields of Banking, insurance and financial services. The new curriculum of Bachelor of Vocation (Banking, Financial Services, and Insurance) [B.Voc. (BFSI)] Offers in depth knowledge of ever-changing field of financial services with focus on latest development through policy intervention, global integration and technological disruption. After pursuing this course students will get expertise in the field of financial services in general with specialization in the specific fields of Banking and Insurance. The University of Delhi hopes the UGCF approach of the programme B.Voc. (BFSI) will help students in making an informed decision at the time of working with financial institutions or engaged in any financial services. The students are exposed to various statistical, quantitative, econometric tools & techniques used for financial analysis with the help of Softwares like Eviews, R, Python.

2 CREDIT DISTRIBUTION

S E M	Core DSC	DSE	GE	AEC	SEC [#]	I A P C	VAC	Total Credits
3	DSC-7(4)	Choose any 1 DSE from DSE-1, DSE-2 (4) OR Choose one from pool of GE courses (4)		Choose from pool of AEC (2)	Choose from pool of SEC OR Internship / apprenticeship / project /community outreach (IAPC) * (2)		Choose from pool of VAC (2)	22
	DSC-8(4)							
	DSC-9(4)							
4	DSC-10(4)	Choose any 1						22

	DSC-11(4)	DSE from DSE-3, DSE-4 (4) OR Choose one from pool of GE courses (4)		Choose from pool of AEC (2)	Choose from pool of SEC OR Internship / apprenticeship / project /community outreach (IAPC) * (2)		Choose from pool of VAC (2)	
	DSC-12(4)							
5	DSC-13(4)	Choose one from pool of courses DSE5, DSE- 6 (4)	Choose one from pool of GE (4)	--	Choose from pool of SEC OR Internship / apprenticeship / project /community outreach (IAPC)* (2)		--	22
	DSC-14(4)							
	DSC-15(4)							
6	DSC-16(4)	Choose one from pool of courses DSE7, DSE- 8(4)	Choose one from pool of GE (4)	--	Choose from pool of SEC OR Internship / apprenticeship / project /community outreach (IAPC) * (2)		--	22
	DSC-17(4)							
	DSC-18(4)							
7	DSC-19(4)	Choose any 3 DSE from DSE-9, DSE-10,DSE-11, DSE-12,DSE-13,		--	--	--	Dissertat ion/ Academi c Project/	22
		DSE-14 (3*4) OR Choose 2 DSE (2*4) and 1 GE (4) OR Choose 1 DSE (4) and 2 GE (2*4) [3*4 = 12]					Entrepre neurship(6) **	

8	DSC-20(4)	Choose any 3 DSE from DSE-15,DSE-16, DSE-17,DSE-18, DSE-19,DSE-20 OR Choose 2 DSE (2*4) and 1 GE (4) OR Choose 1 DSE (4) and 2 GE (2*4) [3*4 = 12]	--	--	--	Dissertation/ Academic Project/ Entrepreneurship(6) **	22
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SEM: Semester

DSC: Discipline Specific Core

SEC: Skill Enhancement Course

DSE: Discipline Specific Elective

GE: Generic Elective

AEC: Ability Enhancement Course

VAC: Value Addition Course

IAPC: Internship/ Apprenticeship/ Project/ Community Outreach

* As per University guidelines

** As per University guidelines; Dissertation/Academic Project/Entrepreneurship in the 4th year shall commence from VII semester and conclude in VIII semester. Detailed outcomes of each track chosen out of these three options shall be notified and assessment at the end of VII and VIII semesters shall be done accordingly. Dissertation may be written in the Major or Minor or Interdisciplinary (combination of Major and Minor) discipline.

DETAILED LIST OF COURSES

2.1 DISCIPLINE SPECIFIC CORE (DSC) COURSES

Semester	S. No.	DSC Paper Title
I	1.	Basics of Financial Accounting
	2.	Business Organization and Management
	3.	Business Economics
II	4.	Business Environment
	5.	Computer Applications in Business
	6.	Basics of Banking Operations
III	7.	Financial Services
	8.	Business Statistics and Financial Mathematics

	9.	Fundamentals of Insurance
IV	10.	Financial Markets and Institutions
	11.	Technology in Banking and Insurance
	12.	Corporate and Securities Law
	13.	Management Information System
V	14.	Corporate Accounting
	15.	Life Insurance
	16.	Regulatory Framework for Banking and Insurance
VI	17.	Non-Life Insurance I (Fire, Marine & Motor)
	18.	Non-Life Insurance II (Health, Accidents, Rural & Miscellaneous)
VII	19.	Marketing of Financial Services
VIII	20.	Entrepreneurship

2.2 Discipline Specific Elective (DSE) Courses

Semester	S. No.	DSE - elective subject
III	1	Organizational Behavior
	2	Commercial Banking for Business
IV	3	Emerging Banking and Financial Services
	4	Corporate Finance
V	5	Customer Relationship Management
	6	GST and Indirect Taxes
VI	7	Security Analysis and Portfolio Management
	8	Marketing and Personal Selling
VII	9	Wealth Management
	10	Behavioral Finance
	11	Retail Banking
	12	Foundation of an Actuarial Analysis
	13	Investment Strategy & Issue Management
	14	Risk Management of Financial Institutions
	15	Research Methodology
VIII	16	Project Appraisal and Financing
	17	Financial Technologies

18	Mutual Funds Management
19	Financial and Commodity Derivatives
20	Micro Finance and Rural Banking
21	International Banking and Finance

COURSE CREDITS

2.3 CREDITS FOR DISCIPLINE SPECIFIC CORE (DSC) COURSES

S. No.	Name of the Subject	No. of Credits	Components of the Course		
			Lecture	Tutorial	Practical
1.	Basics of Financial Accounting	4	3	0	1
2.	Business Organisation and Management	4	3	1	0
3.	Business Economics	4	3	1	0
4.	Business Environment	4	3	1	0
5.	Computer Applications in Business	4	3	0	1
6.	Basics of Banking Operations	4	3	1	0
7.	Financial Services	4	3	1	0
8.	Business Statistics and Financial Mathematics	4	2	0	2
9.	Fundamentals of Insurance	4	3	1	0
10.	Financial Markets and Institutions	4	3	1	0
11.	Technology in Banking and Insurance	4	3	0	1
12.	Corporate and Securities Law	4	3	1	0
13.	Management Information System	4	3	1	0
14.	Corporate Accounting	4	3	1	0
15.	Life Insurance	4	3	1	0
16.	Regulatory Framework for Banking and Insurance	4	3	1	0
17.	Non-Life Insurance I (Fire, Marine & Motor)	4	3	0	1
18.	Non-Life Insurance II (Health, Accidents, Rural & Miscellaneous)	4	3	1	0
19.	Marketing of Financial Services	4	3	1	0
20.	Entrepreneurship	4	3	1	0

2.4 CREDITS FOR DISCIPLINE SPECIFIC ELECTIVE (DSE) COURSES

S. No.	Course Title	No. of Credits	Components of the Course		
			Lecture	Tutorial	Practical
1.	Organizational Behavior	4	3	1	0
2.	Commercial Banking for Business	4	3	1	0
3.	Emerging Banking and Financial Services	4	3	1	0
4.	Corporate Finance	4	3	1	0
5.	Customer Relationship Management	4	3	1	0
6.	GST and Indirect Taxes	4	3	1	0
7.	Security Analysis and Portfolio Management	4	3	1	0
8.	Marketing and Personal selling	4	3	1	0
9.	Wealth Management	4	3	1	0
10.	Behavioral Finance	4	3	1	0
11.	Retail Banking	4	3	1	0
12.	Foundation of an Actuarial Analysis	4	3	1	0
13.	Investment Strategy & Issue Management	4	3	1	0
14.	Risk Management of Financial Institutions	4	3	1	0
15.	Research Methodology	4	3	1	0
16.	Project Appraisal and Financing	4	3	1	0
17.	Financial Technologies	4	3	1	0
18.	Mutual Funds Management	4	3	1	0
19.	Financial and Commodity Derivatives	4	3	1	0
20.	Micro Finance and Rural Banking	4	3	1	0
21.	International Banking and Finance	4	3	1	0

DETAILED SYLLABUS

DISCIPLINE SPECIFIC CORE COURSE – 19: MARKETING OF FINANCIAL SERVICES

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Marketing of Financial Services DSC- 19	4	3	1	0	-	-

Learning Objectives:

To introduce students to the marketing of financial services. All financial institutions, including consumer banks and corporate finance services, practice some form of marketing. Some firms market themselves better than others, as evidenced in the competitive value of their brands. This course also operationalizes several marketing concepts such as segmentation, targeting, and positioning.

Learning outcomes:

By studying this course, the students will be able to:

- Explain and illustrate some of the frameworks and approaches that are helpful in marketing financial services.
- Outline how to efficiently manage multiple product or brand portfolios across multiple customer segments, and how to develop an effective marketing strategy in modern financial service organizations.

Unit 1: Introduction to Marketing of Services

(12 hours)

Growth of the Service Sector, the Concept of Service, Characteristics of Services, Classification of Services, Service Marketing Mix (Additional Dimensions in Services)

Marketing- People, Physical Evidence and Process). Internal Marketing of a Service- External versus Internal Orientation of Service Strategy, Service Encounter, Service Failure and Service Recovery, learning from customer feedback

Unit 2: Marketing Strategy

(9 hours)

Planning, organizing and implementing marketing operations; marketing as a management function. Market Research, Establishing a marketing information system (MkIS); the marketing research process.

Market segmentation- Target marketing, Market segmentation, targeting and positioning the financial services organization in the market place.

Unit 3: Banking and Insurance Services

(12 hours)

Retail Financial Services: Retail banking, meaning of banking business, introduction to various bank products, selling bank products. Concept of cross selling, Impact of technology on bank marketing (Internet banking, mobile banking and UPI).

Insurance: Meaning, advantages various types of insurance, financial planning process. **Risk Management:** Strategy to cover risk, introduction to IRDAI, selling of insurance plans; Bancassurance Model, Bank as a distribution channel for insurance services.

Unit 4: Regulations Governing Financial Services Marketing

(12 hours)

Ethical issue in the marketing of financial services, Ethics in relation to the individual and society as a whole. Mutual Fund Structure, sales and distribution channels, Impact of technology, online marketing, the dimension of customer care, services quality and services recovery, global marketing.

Essential Readings

1. N.K Gupta (2010), “IIB&F: Managing and marketing of financial services”, TAXMANN
2. RB Solanki, Dr. R Malik, “Marketing of financial products and services”, Galgotia Publishing Company
3. IIB&F: Managing and marketing of financial services, TAXMANN

Additional Readings

1. Zeithaml, Bitner, Gremler&Pandit: SERVICES MARKETING, McGraw Hill.
2. V. A. Avdhani: Marketing of Financial services, HPH
3. P. K. Gupta: Insurance and Risk Management, HPH
4. Marketing Financial services – Hooman Estelami

DISCIPLINE SPECIFIC CORE COURSE _ 20: ENTREPRENEURSHIP

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
ENTREPRENEURSHIP (DSC 20)	4	3	1	0	-	-

Learning Objectives:

This course aims at instituting entrepreneurial skills in the students by giving an overview of entrepreneurs and the competences that are needed to become an entrepreneur. It also aims to help students effectively identify business opportunities and manage start-up ventures.

Learning Outcomes

After completion of the course, learners will be able to:

- Recognize the entrepreneurial potential within yourself and appreciate the role of entrepreneurship within society
- Understand the process of entrepreneurship
- Develop and appraise creative new business concepts that can be turned into sustainable business ventures and
- Identify the financial, marketing, legal, human resource, operations, and general management skills that are necessary to successfully launch and operate a new venture.

UNIT-I: Introducing Entrepreneurship

(9 Hours)

Introduction: concept and definitions, entrepreneurship mindset, entrepreneurship process; factors impacting emergence of entrepreneurship; Evolution of entrepreneurship; role of entrepreneur: role of an entrepreneur in economic growth as an innovator; generation of employment opportunities;

complementing and supplementing economic growth; bringing about social stability and balanced regional development of industries.

Unit—II: Building Blocks of Entrepreneurship (12 Hours)

Classification and types of entrepreneurs; dimensions of entrepreneurship: intrapreneurship, social entrepreneurship, net entrepreneurship, technopreneurship, cultural entrepreneurship, ecopreneurship; women entrepreneurs; rural entrepreneurship; corporate entrepreneurs; characteristics of entrepreneur: leadership; risk taking; decision-making and business planning. Managerial versus entrepreneurial decision making; entrepreneurial attributes and characteristics; traits/qualities of entrepreneurs; creativity & innovation.

Unit—III: Creating and Running Entrepreneurial Ventures (12 Hours)

Creating Entrepreneurial Venture: Generating Business idea - Sources of Innovation, generating ideas, Creativity and Entrepreneurship; Challenges in managing innovation; Entrepreneurial strategy, Business planning process; Business Model for start-up ventures; Drawing business plan; Business plan failures.

Mobilizing resources for start-up. Accommodation and utilities; Preliminary contracts with the vendors, suppliers, bankers, principal customers; Contract management: Basic start-up problems. Promotion of a Venture: External environmental analysis- economic, social and technological, Competitive factors: Legal requirements for establishment of new unit and raising of funds, venture capital sources and documentation required. Analyzing Business Opportunities: Market Analysis; demand-supply. Technical Analysis; assets analysis, Financial Analysis; sources of capital and its cost.

Viable and feasible business Opportunity: Testing feasibility of business ideas by applying sensitivity analysis.

Unit—IV: New Frontiers in Entrepreneurship (12 Hours)

Technology and Entrepreneurship: tech-enabled ventures; technology supporting entrepreneurship. Intrapreneurship: description, forms, levels and degrees of corporate entrepreneurship, corporate culture. Entrepreneurial climate within the organization: description, impact on intrapreneurship. Eco-friendly and climate conscious entrepreneur. Stimulating organizational creativity: creative teams; managing organizations for innovation and positive creativity.

Essential Readings:

1. Hisrich, R.D., Manimala, M.J., Peters, M.P., Shepherd, D.A. *Entrepreneurship*, Tata McGraw Hill

2. Brandt, S. C. *Entrepreneurship: The Ten Commandments for Building a Growth Company*. MacMillan Business Books.
3. Holt, D. H. *Entrepreneurship: New Venture Creation*. New Delhi: Prentice Hall of India.
4. Panda, S. C. *Entrepreneurship Development*. New Delhi: Anmol Publications.
5. Taneja, S., & Gupta, S. L. *Entrepreneurship Development-New Venture creation*. New Delhi: Galgotia Publishing House.
6. Shankar, R., *Entrepreneurship Theory and Practice*, Tata McGraw Hill.

Additional Readings

1. Dollinger, M. J. *Entrepreneurship: Strategies and Resources*. Illinois: Irwin.
2. Vasper, K. H. *New Venture Strategies (Revised Edition)*. New Jersey: Prentice-Hall.
3. Barringer, B. R. *Entrepreneurship: Successfully launching new ventures*. Pearson Education India.
4. Kuratko, D.F., and Rao, T. V. *Entrepreneurship: A South-Asian Perspective*, Cengage.
5. Bilton, C. and Cummins, S. *Creative Strategy*, Wiley.
6. Dwivedi, A.K. *Industrial Project and Entrepreneurship Development*, Vikas Publishing House.

DSE COURSES

OFFERED BY

DEPARTMENT OF VOCATION

Banking, Financial Services, and Insurance

1.

**DISCIPLINE SPECIFIC ELECTIVE COURSE – 9: WEALTH
MANAGEMENT**

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Wealth Management DSE-9	4	3	1	0	-	-

Learning Objectives:

To equip students with the knowledge and practical understanding of important dimensions of wealth management. They would be able to understand and do planning for their tax liabilities, investments, insurance coverage, retirement, and estate needs.

Learning outcomes:

- To provide an overview of various aspects related to wealth management.
- To acquaint the learners with issues related to taxation in wealth management.
- To study the relevance and importance of insurance in wealth management.
- To understand the importance and process of choosing right investments.
- To understand various components of retirement and estate planning.

Unit 1: Basics of Wealth Management and Tax Planning (12 Hours)

Introduction to Wealth Management; Need for Wealth Management; Components of Wealth Management; Process of Wealth Management; Code of Ethics for Wealth Managers; Wealth Management in India; Tax Planning – Tax Avoidance versus Tax Evasion; Fundamental Objectives of Tax Planning; Tax Structure in India for Individuals; Common Tax Planning Strategies – Maximizing Deductions, Income Shifting, Tax-Free and Tax-Deferred Income.

Unit 2: Managing Insurance Needs (12 Hours)

Basic Concepts – Risks, Risk Management and Underwriting; Insuring Life – Benefits of Life Insurance, evaluating need for Life Insurance, Determining the Right Amount of Life Insurance; Choosing the Right Life Insurance Policy – Term Life Insurance, Whole Life Insurance, Universal Life Insurance, Variable Life Insurance, Group Life Insurance, Other Special Purpose Life Policies; Buying Life Insurance – Compare Costs and Features, Select an Insurance Company, and Choose an Agent; Life Insurance Contract Features; Insuring Health – importance of Health Insurance Coverage; Making Health Insurance Decision – Evaluate Your Health Care Cost Risk, Determine Available Coverage and Resources, Choose a Health Insurance Plan; Types of Medical Expense Coverage; Policy Provisions of Medical Expense Plans; Property Insurance – Basic Principles, Types of Exposure, Principle of Indemnity, and Coinsurance.

Unit 3: Managing Investments (12 Hours)

Role of Investing in Personal Financial Planning, Identifying the Investment objectives, different Investment choices; Risks of Investing, Returns from Investing, Risk-Return tradeoff; Managing your Investment Holdings – building a Portfolio of Securities, Asset Allocation and Portfolio Management, keeping track of Investments; Investing in Equity – common considerations, key measures of Performance, types of Equity Stocks, Market Globalization and Foreign Stock, making Investment Decision; Investing in Bonds – benefits of Investing in Bonds, Bonds versus Stocks, Bond Market, Bond Ratings; Investing in Mutual Funds and

Exchange Traded Funds (ETFs) – concept of Mutual Funds and ETFs, benefits of investing in Mutual Funds and ETFs, some important cost considerations, services offered by Mutual Funds, selecting appropriate Mutual Fund and ETF investments, evaluating the performance of Mutual Funds and ETF.

Unit 4: Retirement Planning and Estate Planning

(9 Hours)

Retirement Planning – role of retirement planning in personal financial planning, pitfalls to sound retirement planning, estimating income needs, sources of retirement income. Estate Planning – fundamentals of estate planning, impact of property ownership and beneficiary designations, estate planning documents, and executing basic estate planning.

Essential Readings:

1. Billingsley, R. S., Gitman, L. J., & Joehnk, M. D. (2016). *Personal financial planning*. Cengage Learning.
2. Tillery, S. M., & Tillery, T. N. (2017). *Essentials of personal financial planning*. John Wiley & Sons.

Additional Readings:

1. Introduction to Financial Planning (4th Edition 2017) – Indian Institute of Banking & Finance.
2. Sinha, M. *Financial Planning: A Ready Reckoner*. McGraw Hill.

Note: Latest edition of the readings may be used.

DISCIPLINE SPECIFIC ELECTIVE COURSE – 10: BEHAVIORAL FINANCE

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Behavioural Finance DSE-10	4	3	1	0	-	-

Learning Objectives:

The objective of this paper is to introduce the students to the role of human behaviour in financial decision making. It aims to provide a comprehensive view of the psychological foundations and their applications to Corporate Finance and understanding Investor Behavior.

Learning outcomes:

- To establish a strong foundation of the basic concepts of Behavioral Finance.
- To understand the psychological biases and heuristics which affect financial decision making.
- To understand the application of Behavioral finance in Corporate Finance, Individual as well as Institutional Investor and Trading Behavior.

Unit 1: Foundation and Key Concepts

(9 Hours)

Introduction to Behavioral Finance – Overview, Evolution, Key Themes, and Applications; Traditional versus Behavioural Finance; Limits to Arbitrage – Market Efficiency, Fundamental Risk, Noise Trader Risk, Implementation Costs; Theoretical and Empirical underpinnings of Behavioral Finance – Prospect Theory, Framing Effects, Heuristics and Biases, and Affect Theory; Emotional Finance - Concept, Emotional Finance in Practice – Risk, Momentum, Bad News Anomaly, and Pension Provision; Introduction to Neurofinance.

Unit 2: Psychological Concepts and Behavioral Biases

(12 Hours)

Heuristics or Rules of Thumb, Disposition effect, Prospect theory and Behavioral finance, Overconfidence, Representativeness heuristics, Familiarity bias, Limited attention, Ambiguity aversion, Loss aversion, Framing, Self-deception, Mental accounting, Self-control, Regret avoidance, Availability bias, Anchoring bias, Optimism and Wishful thinking, Over reaction and Under reaction, Self-attribution, Endowment effect, Herd behavior, Hindsight bias, Winners' curse, Cognitive dissonance, Status quo bias.

Unit 3: Behavioural Corporate Finance

(12 Hours) Financing Decisions -

Financing decisions of an optimistic manager and overconfident manager, Trade-off model - Incorporating Manager-Shareholder Conflicts and Bondholder-Shareholder Conflicts; Capital Budgeting and other Investment decisions - effects of Managerial over-confidence and

optimism on the Capital Budgeting decisions, Factors affecting the impact of Managerial Biases; Dividend policy decisions – Dividend puzzle, Behavioral biases as explanations for Dividends, Theories of Investor Biases, Theories of Managerial Biases.

Unit 4: Investor Behavior (12 Hours)

Individual Investor Trading - Rational Explanations, Behavioral Explanations; Aspects of Individual Investor Trading – Disposition Effect, Local Bias, Learning over Time; Implications of Individual Investor Trading – Asset Prices, Cost of Time; Individual Investor Portfolios - Biases and Diversification; Cognitive Abilities and Financial Decisions - Do Older Investors make better Investment Decisions? Cognitive Abilities and the Three Puzzles; Institutional Investors - Holding and Trades of Institutional Investment Managers, Capital Flows to Institutional Investors; Role of Culture in Finance - Impact of Culture on Firm and Investor Behavior; Social Interactions and Investing - Herding and Information Cascades.

Essential Readings

- 1. Baker, H. K., & Nofsinger, J. R. (Eds.). (2010). *Behavioral finance: investors, corporations, and markets* (Vol. 6). John Wiley & Sons.
- 2. Shleifer, A. (2000). *Inefficient markets: An introduction to behavioural finance*. Oup Oxford.

Additional Readings

- 1. Barberis, N., & Thaler, R. (2003). A survey of behavioral finance. *Handbook of the Economics of Finance, 1*, 1053-1128.
- 2. Tversky, A., & Kahneman, D. (Eds.). (2000). *Choices, values, and frames*. Cambridge University Press.

The latest published research papers will be used for teaching to a greater extent.

Note: Latest edition of the readings may be used.

DISCIPLINE SPECIFIC ELECTIVE COURSE _ 11: RETAIL BANKING

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course	Eligibility criteria	Prerequisite of the
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		Lecture	Tutorial	Practical/ Practice		course (if any)
Retail banking DSE-11	4	3	1	0	-	-

Learning Objectives:

Since retail banking is a significant component of the commercial banking system and is important to public. The course aims at imparting basic knowledge on retail banking sector in India and the emerging trends of retail lending and borrowing.

Learning Outcomes:

After completing the course, the student shall be able to:

- Describe the basic concepts related to retail banking.
- Analyze the different products and processes of retail banking systems available
- Summarize the Electronic Fund Transfer System.
- Discuss different types of security threats in Indian Banking.

Unit 1: Introduction

(9 hours)

Concept of Retail banking, History and Evolution of retail banking. Role of retail banking in India. Distinction between Retail and Corporate Banking. Business Process Structure. Product models in retail banking. Aspects of retail banking: Customer oriented needs, Products development process, Products in retail banking. Process for retail loans; Credit scoring.

Unit 2: Products, process and service quality

(12 hours)

Banking products and services – Various services offered by banks; Types of bank deposit accounts – savings bank account, term deposit, current account, recurring deposit; pan card, address proof, KYC norm. Various types of loans – personal loans, education loan, consumer durable loan, auto/vehicle loan, housing loan, short term, medium term, long term, microfinance, bank overdraft, cash credit.

Credit & Debit Cards – Difference, Eligibility, Purpose, Margin and Security, Process of issuing and usage, Credit Points and billing cycle. Other Products/ Remittances/ Funds Transfer Service Quality, Measure to enhance service quality.

Unit 3: Distribution strategies and channels

(12 hours)

Distribution strategies: direct selling, contract with third parties. Delivery Channels –Bank branch, operational Extension counters, ATMs, POS, net banking, Electronic Clearing System (ECS), E-payments, Electronic Fund Transfer (EFT), RTGS, NEFT, IMPS, E-money, Unified Payment Interface (UPI), Safeguard for internet banking.

Customer Relationship Management and its role in retail banking. Checking counterfeit currency; CIBIL, Regulations and compliance. Banking complaints and dealings. Technology in Retail Banking used for Static information, Account opening, KYC, loans etc. Process of lending and borrowing and the relevant accounting including EMI Computation.

Unit 4: Contemporary issues and recent trends in Retail Banking (12 hours)

Securitization and Mortgage-based lending. Retail Loans Recovery- Default management, Rescheduling and recovery processes. Trends in retailing - Insurance, Dematerialization (demat) services, Property services, e-banking, phone banking. Investment banking, Underwriting, Wealth management, Reverse Mortgage, hypothecation. Legal and regulatory issues of e-banking in India.

Suggested Readings:

1. Gupta, Atul, Banking and Insurance, A.K. Publications, New Delhi.
2. IIBF “Retail Banking”, Macmillan Education.
3. Paul, R.R. & Mansuri, B.B. Banking and Financial Systems, Kalyani Publications, New Delhi.
4. Sethi, Jyotsna & Bhatia, Nishwan, Elements of Banking and Insurance, PHI Learning Pvt. Ltd., New Delhi.
5. Chaturvedi, D.D. & Mittal, Atul, Banking and Insurance, Scholar Tech Press, New Delhi.
6. Digital Banking, Indian Institute of Banking and Finance.
7. Vasudeva, E–Banking, Common Wealth Publishers, New Delhi.

Additional Readings:

1. Keith Pond, Retail Banking.
2. Singh, K & Dutta V., Commercial Bank Management.
3. Tandon, Deepak & Tandon, Neelam, Management of Banks- Text and Cases, Taxmann Publications Pvt Ltd, New Delhi.

4. Varshney, P.N., Banking Vidhieva Vyavahar, S.Chand, New Delhi
5. Banking Products and Services by IIBF, Taxman Publication.
6. Digital Banking by IIBF, Taxmann Publication.

DISCIPLINE SPECIFIC ELECTIVE COURSE _ 12: FOUNDATION OF AN ACTUARIAL ANALYSIS

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Foundation of an Actuarial Analysis DSE-12	4	3	1	0	-	-

Learning Objectives:

The course has been designed to provide an in-depth knowledge of Actuarial Science concepts in the field of banking and insurance. Students are able to know the concepts of probability, principles and models for an actuarial, mortality model and the uses and carrier paths for an actuary.

Learning outcomes:

At the end of this course, students would be able to:

- Learn the basics function of an actuary.
- Understand the basic knowledge of Statistical Methods of testing and drawing inference.
- Comprehend the principles of an actuarial modelling.
- Ascertain the mortality model.

Unit 1: Basics of Actuarial Science

(9 Hours)

Meaning of an Actuary and Actuarial Science, Functions of the Actuaries, Applications of an Actuarial Science in banking and insurance, Pension Funds; Importance of an Actuarial Science, Career in Actuarial science, who should become an Actuary and How?

Unit 2: Probability and Mathematical Statistics (12 Hours)

Concepts of Probability, Bayes' theorem, Concepts of Random Variable, Probability Distribution, Distribution Function, Expected Value, Variance and Higher Moments, Basic, Discrete and Continuous Distributions, Central Limit Theorem, Statistical Inference and Sampling Distribution, Confidence Intervals for unknown parameters; Test hypotheses, Concepts of Analysis of Variance.

Unit 3: Models (12 Hours)

The Principles of Actuarial Modelling, General Principles of Stochastic Processes, Markov Chain, Markov Process, Concept of Survival Models, Estimation Procedures for Lifetime Distributions, Maximum Likelihood Estimators for the transition intensities in models of transfers between states with piece wise constant transition intensities.

Unit 4: Mortality Model (12 Hours)

Binomial Model of Mortality, Derive a Maximum Likelihood Estimator for the Probability of Death, How to Estimate Transition Intensities depending on age, or using the Census Approximation, How to test Crude Estimates for consistency with a standard table or a set of graduated estimates, the process of Graduation.

Essential Readings:

1. Leung, A. (2021). *Actuarial Principles: Lifetables and Mortality Models*. Academic Press.
2. Dickson, D. C., Hardy, M. R., & Waters, H. R. (2019). *Actuarial mathematics for life contingent risks*. Cambridge University Press.
3. Szabo, F. (2012). *Actuaries' survival guide: how to succeed in one of the most desirable professions*. Academic Press.
4. Agarwal, O. P. (2019). *Actuarial Analysis in Banking and Insurance*. Himalaya Publishing House.
5. Levin, R. I., & Rubin, D. S. (2021). *Statistics for management*. Pearson.

References

1. Glen, N. (2013). *Actuarial Science - An Elementary Manual*. Davies Press.
2. Trowbridge, C. L. (1989). *Fundamental concepts of actuarial science*. Actuarial Education & Research Fund.
3. Macdonald, A. S., Richards, S. J., & Currie, I. D. (2018). *Modelling mortality with actuarial applications*. Cambridge University Press.
4. Stine, R., & Foster, D. (2017). *Statistics for Business: Decision Making and Analysis* (3rd ed.). Pearson.

Note: Latest edition of the readings may be used.

DISCIPLINE SPECIFIC ELECTIVE COURSE – 13: MUTUAL FUNDS AND INVESTMENT BANKING

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Mutual Funds and Investment Banking DSE-13	4	3	1	0	-	-

Learning Objectives:

The objective of this paper is to know the different aspects of Investment banking and financial services such as Issue Management, Leasing, Hire Purchase, Factoring and Forfaiting, Insurance, Credit Rating, Securitization and Venture Capital Financing, Mergers and acquisition and the detailed SEBI guidelines on issue management. The course is being designed to provide basic knowledge about the Growth and Role of Mutual funds, Investors Protection and Regulation of Mutual funds etc.,

Learning outcomes:

- To understand the importance and relevance of Investment Bankers in any Financial System.
- To comprehend the entire process of raising funds from primary markets along with the concerned regulations applicable in India.
- The various financial services available in financial markets particularly in India along with the latest innovations and technological integration in the field of finance.
- Examine the development of Mutual funds, and understanding the extent to which investors are protected.
- Analyse the Mutual fund Regulation, know the recent developments in Mutual fund Industry.

Unit 1: (12 Hours)

Introduction to Mutual Fund - The origin, meaning and growth of Mutual funds, Fund Units versus Shares; Types of Mutual fund schemes; The role of Mutual Funds; Organization of the Fund, calculation of the fund – Net Asset Value.

Protection and Market Regulation - Investors Protection and Mutual Fund Regulation:

Investors rights, Facilities available to investors: Selection of a Fund, Advantages of Mutual Funds; Deregulation, Market Imperfection, and Investment Risks, Regulation and Investors Protection in India.

Unit II: (12 Hours)

Mutual Funds in India – UTI Schemes, SBI Mutual Fund, Other Mutual Funds, Selection of a Fund.

Mutual Funds Industry in India – its size and Growth, types and growth patterns of Mutual Funds, Reasons for slow Growth, Prospects of Mutual Fund Industry.

Unit III: Introduction to Investment Banking (12 Hours)

Introduction - an overview of Indian Financial System, Investment Banking in India, Recent Developments and Challenges ahead, Institutional structure and Functions of Investment Banking; SEBI guidelines for Merchant Bankers, Registration, obligations and responsibilities of Lead Managers.

Unit IV: Issue Management (9 Hours)

Issue Management - Public Issue, classifications of Companies, Issue Pricing, Promoter's Contribution, Minimum Public Offer, Prospectus, Allotment, Preferential Allotment, Private Placement, Book Building Process; Green Shoe Option; Right Issue: subscription, Bought out Deals, Post issue work & obligations, Investor Protection, Broker, Sub-broker and Underwriters.

Essential Readings:

- 1.Khan, M. Y. (2013). *Indian financial system*. Tata McGraw-Hill Education.
- 2.Machiraju, H. R. (2010). *Indian financial system*. Vikas Publishing House.

Additional References:

- 1.Verma, J. C. (1996). *Manual of merchant banking Concepts, practices & procedures with SEBI clarifications, guidelines, rules & regulations*. Delhi: Bharat Law House.
- 2.Wright, M., Watkins, T., & Ennew, C. (2010). *Marketing financial services*. Routledge.
- 3.Sriram, K. (1992). *Hand Book of Leasing. Hire Purchase & Factoring, ICFAI, Hyderabad*.
- 4.Sahadevan, K. G., & Thiripalraju, M. (1997). *Mutual Funds: Data, Interpretation and Analysis*. PHI.
5. Avadhani, V. A. (2013). *Marketing of Financial Services*. Himalayan Books.
6. Gorden, R., & Natarajan, K. (2016). *Financial Markets and Services* (10 ed.). Himalaya Publishing House.
7. Fredman, A. J., & Wiles, R. (2004). *How Mutual Funds Work*. Prentice Hall.
8. Sadhak, H. (2003). *Mutual funds in India*. Response Books.

Note: Latest edition of the readings may be used.

DISCIPLINE SPECIFIC ELECTIVE COURSE – 14: RISK MANAGEMENT OF FINANCIAL INSTITUTIONS

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course	Eligibility criteria	Prerequisite of the
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		Lecture	Tutorial	Practical/ Practice		course (if any)
Risk Management of Financial Institutions DSE- 14	4	3	1	0	-	-

Learning Objectives:

This course aims at enabling the students to understand and to contribute to the strategic operational policies and risk management practices of financial institutions in a competitive environment.

Learning outcomes:

By studying this course, the students will be able to:

- Understand the functioning of a financial institution.
- Understand the entire process of operating a bank and other financial institutions with
 - Respects to the rules and regulations prescribed by the regulators.
- Understand the problems faced by the banks like that of NPA or of liquidity challenge etc. and tools and techniques to manage them.

Unit 1: Foundation and Key Concepts

(9 hours)

Overview of Risk Management in Banking and Financial Markets, Liquidity & Solvency Risk, Measuring and Management of Operational Risk, CRR & SLR management. Financial Intermediation: Types of Financial Services-Depository Institutions, Finance Companies, Security Firms and Investment Banks, Mutual Funds and Hedge Fund Companies, Insurance Companies. An Overview of the Indian Financial System; Regulation of Banks, NBFCs & FIs, Capital Adequacy: Capital adequacy norms; Basel agreement-I, II&III.

Unit 2: Financial Statement Analysis of Banks

(12 hours)

Statement of Financial Sector: Statements of Financial Institutions: Analyzing Bank's Financial Statement: The balance sheet; income statement; Cash Flow Statement; profitability, liquidity and solvency analysis; Sources and Uses of Banks Funds, Performance

Analysis of banks: CAMELS Risk system; Key Performance Indicators; Data Envelopment Analysis, Asset Liability Management: RBI guidelines on asset liability management.

Unit 3: Measuring and Managing Risk Part 1 (12 hours)

Institutional Risk Management: Interest Rate Risk: Level and Movement of Interest Rates, Term Structure of Interest Rates, Interest Rate Risk Management: Measurement of Interest Rate Risk; Duration and its kinds; Convexity. Managing Interest Rate Risk: Repricing Gap Model, Duration Gap Model, Cash Flow Matching Model; Convexity Adjustments. Credit Risk: Individual Loan Risk, Return on Loans, Measurement of Credit Risk- Models of Credit Risk Measurement and Pricing, Qualitative and Quantitative Models, Loan Portfolio and Concentration Risk, Moody's Analytics Portfolio Manager Model, Loan Volume-Based Models, Loan Loss Ratio-Based Models, Regulatory Models. NPA & its types, Management of NPA Market Risk; Liquidity Risk, Operational Risk.

Unit 4: Measuring and Managing Risk Part 2 (12 hours)

Liquidity Risk Management: Measurement of Liquidity Risk; Measures of Liquidity Exposure; Causes of Liquidity risk: Asset-Side and Liability-Side; Managing Liquidity Risk: Purchased Liquidity management and Stored Liquidity management; Liquidity Planning; Deposit Insurance; Discount Window. Market risk; Banking Book and Trading Book, The Risk metrics Model, The Historic (Back Simulation) Model, The Monte Carlo Simulation Approach, Regulatory Models: The Bis Standardized Framework, Off- Balance Sheet Risk: Off-Balance-Sheet Activities, Returns and Risk of Off-Balance-Sheet Activities; Technology and Other Operational Risk, Securitization.

Essential/recommended readings

1. Saunders & Cornett (2019) "Financial Institutions Management – A risk management approach" Tata McGraw Hill.
2. Justine Paul & Padmalatha Suresh (2014) "Management of Banking and Financial Services" Pearson.

Suggestive readings

1. Resti & Sironi (2007) "Risk management and shareholders" value in banking" John Wiley.

2. Jennifer Romero- Torres, Sameer Bhatia, Asian Development Bank, Sudip Sural (2017)
“Securitization in India”, Asian Development Bank

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

DSE – 15 Research Methodology						
Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Research Methodology	4	3	0	1	Class XII	NIL

Learning Objectives:

- 1. To understand some basic concepts of research and its methodologies
- 2. To develop skills in qualitative and quantitative data analysis and presentation.

Learning Outcomes:

1. *Demonstrate the ability to choose methods appropriate to research aims and objectives. Understand the limitations of particular research methods.*
2. *Develop skills in qualitative and quantitative data analysis and presentation.*
3. *Develop advanced critical thinking skills*

UNIT-I

(7 Hours)

Introduction: Introduction to Research and Problem Definition Meaning, Objective and importance of research, Types of research, steps involved in research, defining research problem

UNIT-II

(8 Hours)

Research Design: Research design, Methods of research design, research process and steps involved, Literature Survey

UNIT-III

(15 Hours)

Data Collection & Classification of Data: Methods of Data Collection, Sampling, Sampling techniques procedure and methods, Ethical considerations in research

UNIT-IV

(15 Hours)

Data Analysis: Statistical techniques and choosing an appropriate statistical technique, Hypothesis, Hypothesis testing, Data processing software, statistical inference, Interpretation of results

UNIT-V

(15 Hours)

Technical Writing and reporting of research: Types of research report, research paper, review article, short communication, conference presentation etc., Referencing and referencing styles, Research Journals, Indexing and citation of Journals, Intellectual property, Plagiarism check.

References:

1. *C. R. Kothari, Gaurav Garg, Research Methodology Methods and Techniques , New Age International publishers, Third Edition.*
2. *Ranjit Kumar, Research Methodology: A Step-by-Step Guide for Beginners, 2nd Edition, SAGE, 2005*

3. *Business Research Methods – Donald Cooper & Pamela Schindler, TMGH, 9th edition*
4. *Creswell, John W. Research design: Qualitative, quantitative, and mixed methods approaches. Sage publications, 2013*

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

DSE – 16

Project Appraisal and Financing

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Project Appraisal and Financing DSE- 16	4	3	1	0	-	-

Learning Objectives:

To provide an understanding to the students about identification of a project, feasibility analysis, alternative project appraisal techniques, Project financing.

Learning Outcomes:

On successful completion of this course, the students will be able to:

- Apply various methods of project Appraisal.
- Use Capital Budgeting techniques for financial evaluation and selection of Projects.
- Understand the concept and application of Social Cost and Benefit Analysis.
- Carry out Risk Analysis for business projects and identify alternative sources of financing.
- Apply appraisal techniques for evaluating live projects.

Unit 1: Introduction to Projects and their Appraisal (9 hours)

Project Definition, Project Identification, Project Life Cycle, Project Stakeholder Analysis, Feasibility study and types. Project selection process, Types of Project Appraisal (Brief Overview): Market and Demand Analysis, Technical Appraisal, Financial Appraisal, Economic Appraisal, Managerial Appraisal, and Social Appraisal.

Unit 2: Financial and Social Appraisal (12 hours)

Project Cost and its components, Investment Evaluation Methods (Non-Discounting and Discounting Methods): Payback Period, Accounting Rate of Return, Discounted Payback Period, Net Present Value, Profitability Index, Internal Rate of Return (IRR), Modified Internal Rate of Return (MIRR). Suitability of Methods to different Projects, Investment Evaluation in Practice. Social Appraisal: Rationale for Social Cost Benefit Analysis, Approaches of SCBA (UNIDO and Little-Mirrlees Approach), Environment Impact Assessment (EIA) and Social Impact Assessment (SIA) of Projects. Relevant Case Studies.

Unit 3: Project Risk Analysis (12 hours)

Risk Analysis and Management: Sources and Measures of Risk. Methods of Assessing Risk – Sensitivity Analysis, Scenario Analysis, Break-Even Analysis, Simulation Analysis, Decision Tree Analysis, Project Selection under Risk – Judgmental Evaluation, Payback Period, Risk Adjusted Discount Rate Method, Certainty Equivalent Method, Strategies for Risk Management.

Unit 4: Project Financing (12 hours)

Capital Structure; Choices of Financing; Sources of Financing – Internal Accruals, Equity Capital, Preference Capital, Debentures (or Bonds), Term Loans, Venture Capital, Private Equity, Venture Capital Vs. Private Equity, Loan Syndication, Consortium Financing, Public Private Partnership (PPP), Securitization, Crowd Funding; Raising Capital from International Markets: Foreign Issue, Foreign Direct Investment (FDI), External Commercial Borrowings (ECB).

Essential Readings:

1. Chandra, Prasanna: Projects – Planning, Analysis, Selection, Financing, Implementation, and Review. 2019 Edition. McGraw Hill Education.
2. Agrawal, R., & Mehra, Y. S. (2017). Project Appraisal and Management. Taxman Publications.

Additional Readings:

1. Goodpasture, C. John: Quantitative Methods in Project Management. J. Ross Publishing.

2. Prasanna Chandra: Financial Management: Theory and Practice, McGraw Hill Publishing.

DISCIPLINE SPECIFIC ELECTIVE COURSE – 17: FINANCIAL TECHNOLOGIES

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Financial Technologies DSE- 17	4	3	1	0	-	-

Learning Objectives:

The goal of the course is to get the students acquainted with the dynamic changes in the financial sector generated by the Internet revolution.

Learning outcomes:

By studying this course, the students will be able to:

- Understanding of the nature of the internet revolution in finance.
- Knowledge of key digital technologies and products, and state reaction to the digital revolution.
- Knowledge of FinTech, big data analytics, and new financial business models.

Unit 1: Digital Transformation of Finance

(9 hours)

Introduction: A Brief History of Financial Innovation, Digitization of Financial Services, Introduction to FinTech & Funds, FinTech Transformation, FinTech Typology, Collaboration between Financial Institutions and Start-ups. Introduction to Regulation and future of Regulatory Technology.

Crowdfunding: Definition, Types and functioning of crowdfunding markets, Difference between traditional funding models and crowdfunding markets, Informational problems in the crowdfunding model.

Unit 2: Payment Systems**(12 hours)**

Digitalization of the payment system, The historical evolution of the payment system, Attributes of a well-functioning payment system, Bank as guarantors of the payment system. New entrants and new payment models: risks for the banking system. FinTech applications in Banking & Non-Banking Financial Companies (NBFCs); Insurance; Payments; Lending; Audit; and Compliance. Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT), Immediate Payment Service (IMPS), Unified Payments Interface (UPI), Growth of Digital Payments in India, RBI guidelines on Digital Payments.

Unit 3: Crypto Assets and Blockchains**(12 hours)**

Introduction to Crypto: Crypto an asset for trade and Crypto-currency, Problems with issuers credibility, Fin Tech & Securities Trading; Crypto currencies and its future as currency, blockchain as a registration mechanism, functioning of the block chain system. The integration of digital currency and blockchain and issuers incentive problems;

Property Technology (Proptech): FinTech of Real Estate; Possible alternative uses of blockchain technology in the economy and difficulties in its implementation. Use of bitcoin in money laundering. The regulatory debate. Introduction of Central Bank Digital Currency (CBDC). Other Emerging Financial Technologies: Internet of things (IOT) & AR/VR applications.

Unit 4: FinTech, Big Data Analytics and New Financial Business Models**(12 hours)**

The use of data in traditional credit decisions, the combination of big data and machine learning to improve financing decisions. Smart accounts, customized financial products, risk management and fraud prevention. High frequency trading: opportunities and risks. Digital security, Challenge of confidentiality, integrity and availability. Digital securities as systemic risk in economy. Regulations on cybersecurity. Latest developments in field of Digital Finance.

Essential/recommended readings:

1. Lynn, T., Mooney, J. G., Rosati, P., & Cummins, M. (2019). Disrupting finance: FinTech and strategy in the 21st century (p. 175). Springer Nature.
2. Beaumont, P. H. (2019) "Digital Finance: Big Data, Start-ups, and the Future of Financial Services", Routledge.

Suggestive readings:

1. Relevant RBI Guidelines on Payment Systems and Digital Payments.
2. Phadke, S. (2020) “FinTech Future: The Digital DNA of Finance” Sage Publications.

DISCIPLINE SPECIFIC ELECTIVE COURSE – 18: Mutual Funds Management
CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Mutual Funds Management DSE-18	4	3	1	0	-	-

Learning Objectives

This course has been designed to furnish students on the management and functioning of Mutual Funds. Besides providing an understanding about the risks & returns with respect to investing in the Mutual Funds and taking due care of the various concerned regulations.

Learning outcomes

After completing this course, students shall be able to:

- To get acquainted with the conceptual knowledge and underlying operations of the Mutual Funds.
- To comprehend various evaluations methods of Mutual Funds.
- To gain understanding on the regulatory and legal structure of the Mutual Funds.

Unit 1: Introduction to Mutual Funds**(12 Hours)**

Introduction to

Mutual Funds – Concept, Structure; Role of mutual funds in capital market development;

Merits & Demerits of Investing in the Mutual Funds; Working of Mutual Funds; Different ways to Invest in Mutual Funds; Procedure to Invest in Mutual Funds; Types of Mutual Funds; Factors influencing the choice of Mutual Funds; Ethical perspective related to Mutual Funds; Socially responsible mutual funds.

Unit 2: Legal and Regulatory Framework of Mutual Funds (12Hours)

Structure and legal environment of Mutual Funds in India; Vital constituents of Mutual Funds; Framework of Asset Management Company (AMC); Role of service providers; AMC's process of due diligence in case of distributors of Mutual Funds; Investors' Grievance Redressal Mechanism; Role of Association of Mutual Funds in India (AMFI); Code of Ethics of AMFI's; Code of Conduct of AMFI's for intermediaries; Function of regulatory agencies for Mutual Funds (SEBI & RBI).

Unit 3: Evaluation of Mutual Funds (12 hours)

Measures (along with its calculation) of returns and risk in mutual funds schemes; Constraints related to performance measurement; Net Asset Value (NAV) – concept, computation, factors impacting NAV; Taxation of Mutual Funds (securities transaction tax, capital gain tax, tax rebate).

Unit 4 Selection criteria of Mutual Fund (9 hours)

Mutual Fund Ranking and Rating – Its importance and requirement, Causes of Ratings, Interpreting the Mutual Fund's rating by CRISIL, ICRA; Different parameters used in selection (Stability, Size, Objectives of the underlying schemes, performance, etc.); Sources of information for tracing performances of the mutual fund schemes.

Essential Readings:

1. Sadhak, H. (2003). *Mutual funds in India*. Response Books.
2. Sankaran, S. (2018). *Indian mutual funds handbook: A guide for industry professionals and intelligent investors*. Vision Books.
3. Damodaran, A. (2012). *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset*. Wiley.
4. Sankaran, S. (2019). *Indian Mutual Fund, Handbook. A Guide for Industry Professionals and Intelligent Investors (2nd Edition) and (3rd Revised Edition)*, 41.

5. Gupta, A. (2002). *Mutual Funds in India-A study of Investment Management*, Anmol Publication Pvt. Ltd. New Delhi.

Additional Resources:

1. Gupta, A. (2002). *Mutual Funds in India-A study of Investment Management*, Anmol Publication Pvt. Ltd. New Delhi.
2. Chandra, P. (2000). *Investment Analysis and Portfolio. Management*, Tata McGraw-Hill Publishing Company Ltd, New Delhi.
3. Fischer, D. E., & Jordan, R. J. (1996). *Security analysis and portfolio management*. Prentice Hall.

Note: Latest edition of readings may be used

**DISCIPLINE SPECIFIC ELECTIVE COURSE _ 19: FINANCIAL AND
COMMODITY
DERIVATIVES**

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Financial and Commodity Derivatives DSE-19	4	3	1	0	-	-

Learning Objectives:

To equip students with the principles and techniques of Derivatives and Risk Management through Stock Market.

Learning outcomes:

After completing the course, the student shall be able to:

- Understand the derivatives in detail such as forward, futures, options, trading strategies etc.
- Manage the Risk using forward, futures, options.
- Learn the option pricing models and payoffs.

Unit 1: Introduction to Derivatives

(12 Hours)

Introduction - Definition of Risk, Managing Risk, Type of Risks; Introduction of Spot Market; Meaning, history and origin of derivatives in India; Convergence of Spot and Futures; Participants of Derivatives Market; Valuation of Forwards and Futures; Contango and Backwardation; Hedging: Long security-sell futures, Speculation: With and without derivative market, Arbitrage: Buy spot-sell futures & sell spot-buy futures.

Unit 2: Risk Management with Currency Market & Commodity Market

(12 hours)

Currency futures - meaning and valuation, Quotations- direct, indirect; Calculation of bid & ask in cross currency pair; Hedging with futures: Concept of basis & impact of change in basis on payment/receivables; Hedging with forwards: Early delivery, early cancelation, early extension, maturity cancelation and maturity extension; Commodity futures: meaning and valuation; Valuation of commodity futures; Managing risk with commodity futures.

Unit 3: Options and Trading Strategies

(12 Hours)

Options – Meaning, call and put of European options and their payoffs; Calculation of P/L in Option Trade; Factors affecting option prices; Upper bound as well as lower bound of call and put option with & without dividend; Put – call parity theorem; Spreads (Bull, Bear, Box, Butterfly, Calendar Spread), combinations (Straddle, Strangle, Strip, Straps).

Unit 4: Option Valuation & Managing Risk with Option

(9 Hours)

Binomial model - One period, two period and multiple period; Black-Scholes option model (for stock and currency both) with and without dividend; Managing delta, Delta zero portfolio, Managing gamma, Delta zero & Gamma zero portfolio.

Essential Readings:

1. Sundaram, R. K., & Das, S. R. (2011). *Derivatives: principles and practice*. New York, NY: McGraw-Hill Irwin.
2. Redhead, K. (1997). *Financial derivatives: an introduction to futures, forwards, options and swaps*. Prentice Hall.
3. Hull, J. C. (2003). *Options futures and other derivatives*. Pearson Education India.

Additional Resources:

1. Franke, J., Hardle, W. K., & Hafner, C. M. (2015). *Statistics of Financial Markets An Introduction*. Springer.
2. Ranganatham, M., & Madhumathi, R. (2011). *Derivatives and Risk Management*. Pearson India.

Note: Latest edition of readings may be used

**DISCIPLINE SPECIFIC ELECTIVE COURSE – 20: MICRO FINANCE
AND RURAL BANKING**

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Micro Finance and Rural Banking DSE-20	4	3	1	0	-	-

Learning Objectives:

The course aims at imparting basic knowledge about microfinance and rural banking sector in India. Through this paper, students would be acquainted with financing options available for the unbanked and rural sector.

Learning Outcomes:

After completing the course, the student shall be able to:

- Understand the rural sector in India and its need for financing.
- Learn about microfinance and rural banking system in India.
- Understand the basic functions and regulation of rural banks.
- Determine operational challenges faced by MFIs and rural banks.

Unit1: Rural Economy and Development**(12 hours)**

Size and Structure of the Rural Economy, Characteristics of the Rural Sector - Agricultural and Allied Sectors, Non-Farm Sector - Rural Industrialization and Entrepreneurship. Rural

infrastructure: Markets, Transport, Power and other services. Agricultural and non-agricultural sector. Structure and characteristics of Indian agriculture, agriculture-industry linkages, Resources and technical changes in agriculture, Role of agriculture in economic development, emerging issues in Indian Agriculture. Government policies and programs for rural development.

Unit 2: Microfinance and Self Help Groups for rural development (12 hours)

Microfinance: Concept, need and importance. Evolution of microfinance in India. Microfinance Institutions (MFIs). Roles and contribution of microfinance in rural development. Self Help Groups (SHGs) – meaning, characteristics. Cases of SHGs in India. Role of SHGs in rural development. Organizational structures of MFIs. Innovative and creative microfinance models. Microfinance Products and services, Training & Technical assistance in relation to microfinance. Revenue Models of Microfinance: Profitability, Efficiency and Productivity.

Unit 3: Financing through rural banking (12 hours)

Rural Finance: Rural credit and indebtedness; Institutional supports - NABARD, SIDBI, Nationalized Commercial Banks, Regional Rural Banks (RRBs), Cooperatives and Land Development Banks; their functions: Credit Function, Development function, Regulatory function. Function and regulatory policies of RBI in Rural Banking. Role of ICT in rural banking. Financial inclusion and growth through rural banking. Financing agricultural and Non-agricultural (nonfarm) sector. Non-agricultural sector: Micro, Small and Medium Enterprises (MSMEs). MSMED Act, 2020. Role of government institutions in promotion and development of MSMEs.

Unit 4: Challenges in rural banking development (9 hours)

Commercialization, Credit application and delivery methodologies. Loan approval/ loan documentation/ loan disbursement/ loan collection and recovery. Expansion of branches, debit mobilization, urban orientation of staff, procedural rigidity, improving credibility of rural and regional banks.

Suggested Readings:

1. Dutta, S. K., & Ghosh, D. K. (2006). Institutions for Development: The case of Panchayats. New Delhi: Mittal Publications.
2. Hussain, T., Tahir, M., & Tahir, R. (2017). Fundamentals of Rural Development. New Delhi: I. K. International Publishing House Pvt. Ltd.
3. Sahu, B. K. (2003). Rural Development in India. New Delhi: Anmol Publications Pvt. Ltd.
4. Samanta, R. K. (2000). New Vista in Rural Development Strategies & Approaches. Delhi: B.R. Publishing Corporation.
5. Singh, K. (2008). Rural Development - Principles, Policies, and Management. New Delhi:

Sage Texts.

DISCIPLINE SPECIFIC ELECTIVE COURSE-21: INTERNATIONAL BANKING AND FINANCE

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Prerequisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
International Banking and Finance DSE- 21	4	3	1	0	-	-

Learning Objectives:

To provide an understanding of the essential elements of the international banking and financial environment in which the multinational firm operates.

Learning outcomes:

By studying this course, the students will be able to:

- Understand basic concepts of fundamentals of international finance.
- Have overview of international financial markets.
- Know Foreign Exchange Market and Foreign Exchange Management in India.
- Learn management of risk in international market and international banking operations.

Unit1: Fundamentals of International Finance

(9 hours)

Introduction of International Finance, unique dimension of international finance, International Flow of Funds: Balance of Payment, Components, Deficit in Balance of Payment, Factors Affecting International Trade Flows.

Exchange Rate Determination: Measuring Exchange Rate Movements, Exchange Rate Equilibrium, Factors That Influence Exchange Rates.

Fundamental International Parity Condition: Purchasing Power Parity, Interest Parity.
International Monetary System: Gold Standard, Bretton Woods System, Fixed Exchange Rate System, Floating Exchange Rate System, Current Exchange Rate Systems in practices.

Unit 2: International Financial Markets (12 hours)

International Capital Flows: FDI, FPI, FII. International Money Market, International Credit Market, International Bond Market: Eurobond Market, Development of Other Bond Markets, Risk of International Bonds, Concepts of Foreign Currency Convertible and Foreign Currency Exchangeable Bonds, Participatory Notes. International Equity Markets, Concept of Depository Receipts, GDR, Characteristics, Mechanism of Issue, Participants Involved, ADR, Types and Characteristics, Concept of IDR.

Unit 3: Foreign Exchange Markets and Managing Risk (12 hours)

Introduction, Spot Market, Forward Market, Future Market, Option Market, Foreign Exchange Management in India, Retail and Whole Sale Component of Indian Foreign Exchange Market, Role of FEDAI, FEMA and Regulatory Framework, Dealing Room Operations. Foreign Exchange Arithmetic, Exchange Rate Quotations, Direct, Indirect and Cross rate, Percentage Spread, Arbitrage, Geographical, Triangular and Interest Rate (formula method only), Calculation of Forward Rates using Schedule of Swap Points, Authority of Financial Markets (AFM)

Risk Management: Measuring and Managing Transaction, Translation and Economic Exposure, Transaction, Position, Settlement, Pre-settlement, Gap/Mismatch Risk faced by Banks, Internal and External Hedging, Country Risk Management.

Unit 4: International Banking Operations (12 hours)

International Banking Operations: Introduction, Definition, Overview International Bank Activities, Features of International Banking, Reasons for Growth of International Banking, Functions of International Banking, Correspondent Banking, International Payment Systems, NRI accounts, Export Finance, Import Finance, International Merchant Banking, Financing Project Exports, Derivative Offering, Remittances, Compliance related- Interbank Functions, Internal Functions, Letter of Credit and Bank Guarantees.

International Lending Operation, Loan Syndication, Parties Involved, Phases /Stages in Loan Syndication, Types of Syndication, Role of LIBOR, Risk in International Lending, Role of International Credit Rating Agencies.

Recent Trends in International Banking: Emergence of Crypto currency - Overview, Brief Overview of Bitcoin and other Crypto Currencies, Note on Mining and Crypto Currency Exchanges, Advantages, Disadvantages of Crypto Currency.

Essential/recommended readings:

1. Madura, Jeff (2020) “International Financial Management”, Cengage Learning
2. Shapiro, Alan C (2013) “Multinational Financial Management”, Wiley

Suggestive readings:

1. Federal Deposit Insurance Corporation:
<https://www.fdic.gov/regulations/safety/manual/section11-1.pdf>