

**MBA (Finance) – III Semester**

**PAPER -XI  
STRATEGIC FINANCIAL MANAGEMENT**

**Course Code: 37**

**Paper code: MBFM 3001**

**Objectives**

- To acquaint the students with concepts of Financial management from strategic perspective and
- To familiarize various Techniques and Models of Strategic Financial Management.

**UNIT – I**

Financial Policy and Strategic Planning –Strategic Planning Process – Objectives and Goals – Major Kinds of Strategies and Policies – Corporate Planning – Process of Financial Planning – Types of Financial Plan – Financial Models – Tools or Techniques of Financial Modeling – Uses and Limitations of Financial Modeling – Applications of Financial Models – Types of Financial Models – Process of Financial Model Development.

**UNIT – II**

Investments Decisions under Risk and Uncertainty – Techniques of Investment Decision – Risk Adjusted Discount Rate, Certainty Equivalent Factor, Statistical Method, Sensitivity Analysis and Simulation Method – Corporate Strategy and High Technology Investments.

**UNIT – III**

Expansion and Financial Restructuring – Corporate Restructuring - Mergers and Amalgamations – reasons for Merger, Benefits and Cost of Merger – Takeovers – Business Alliances – Managing an Acquisition – Divestitures – Ownership Restructuring – Privatisation – Dynamics of Restructuring – Buy Back of Shares – Leveraged Buy-outs (LBOs) – Divestiture – Demergers.

**UNIT – IV**

Leasing – Importance, Types, Tax Considerations, and Accounting Considerations – Evaluation of Lease from the point of view of Lessor and Lessee – Lease versus Buy Decision – Venture Capital – Concept and Developments in India – Process and Methods of Financing – Fiscal Incentives.

**UNIT – V**

Financing Strategy - Innovative Sources of Finance – Asset Backed Securities - Hybrid Securities namely Convertible and Non-Convertible Debentures, Deep Discount Bonds, Secured Premium Notes, Convertible Preference Shares – Option Financing, Warrants, Convertibles and Exchangeable Commercial Paper.

**REFERENCES**

**Rajni Sofat & Preeti Hiro**, STRATEGIC FINANCIAL MANAGEMENT, *PHI, Delhi, 2011*

**Weaver & Weston**, STRATEGIC CORPORATE FINANCE, *Cengage Learning, Delhi, 2001*

**Chandra, Prasanna**, FINANCIAL MANAGEMENT, *Tata McGraw Hill, Delhi. 2007*

**MBA (Finance) – III Semester**

**PAPER -XII**

**BANKING AND INDIAN FINANCIAL SYSTEM**

**Course Code: 37**

**Paper code: MBFM 3002**

**Objectives**

- To get an insight into the constitutions, structure, objectives and working of the Banking Institutions in India
- To evaluate the performance of Banking Institutions and their contribution to the growth of Indian Corporate Sector and
- To have a Bird's view of the Indian Financial System and in the context of Global Indian Banking System.

**UNIT- I**

Banking Systems – Definitions – Functions – Types – Central Banking – Structure of Banking System- Rural Financing – Banker and Customer Relationship – Deposit Mobilization – Loans and Advances – Assets and Liabilities Management – Secured Advances – Endorsement and Crossing of Cheques – Payment of Cheques – Collection of Cheques.

**UNIT-II**

Central Banking System – Nature- Organization and Management- Functions – Methods of Credit Controls – Objects of Monetary Policy – Autonomy of Central Bank Systems – Indian Money Market – Indian Capital Market – New Issue Market- Banking Legislations in India.

**UNIT-III**

Industrial and Agricultural Banking System – All Indian Development Banks – Investment Institutions- State Level Institutions – Specialized Financial Institutions – International Finance Institutions – IBRD – IFC – IDA – NABARD – NHB – Micro Financing Institutions.

**UNIT-IV**

Financial systems - Overview of Indian Financial System – savings and Financial Intermediation – Financial Markets – Listing Regulations – Primary Markets – Secondary Markets – Mutual Funds – Indian Fiscal Systems.

**UNIT-V**

Foreign Investments – Foreign Capital – Foreign Collaboration – Foreign Direct Investment – foreign Institutional Investors – Offshore Country Funds – Overseas Venture Capital Investments – International Capital Market.

**REFERENCES**

**M.Y. Khan**, INDIAN FINANCIAL SYSTEM, *Tata Mc Graw Hill, Delhi, 2008*

**Jeff Madura**, FINANCIAL MARKETS AND INSTITUTIONS, *CenGage Learning, Delhi, 2008*

**H.R. Machiraju**, INDIAN FINANCIAL SYSTEM, *Vikas Publishing House, Delhi, 2009*

**Pathak**, THE INDIAN FINANCIAL SYSTEM, *Pearson Education India, 2007*

**MBA (Finance) – III Semester**

**PAPER -XIII**

**MERCHANT BANKING AND FINANCIAL SERVICES**

**Course Code: 37**

**Paper code: MBFM3003**

**Objectives**

- To examine Financial Services management as an important and contemporary area of financial management
- To understand the various financial services and their future and
- To determine the most suitable financial service, given the situations and contingencies

**UNIT-I**

Financial Services Industry – Emergence – Developments – Fund Based and Non-fund based activities – modern activities – New Financial Products and Services, Innovative Financial Instruments – Challenges Ahead.

**UNIT-II**

Merchant Banking – Issues Management Intermediaries – Merchant Bankers/Lead Managers – Underwriters – Bankers, Brokers and Registrars to an Issue and Share Transfer Agents– Debenture /Trustees – Portfolio Managers – Issue Management Activities/Procedures – Eligibility norms – Pricing or Issues – Promoters’ contribution – Issue of Indian Depository Receipts (IDR) – Issue Advertisement – Issue of Debt Instruments – Book building – Green shoe Option – Initial Public Offer through Stock Exchange Online System – Preferential Issues – Qualified Institutional Placement.

**UNIT-III**

Factoring and Forfeiting - Modus Operandi, types, functions – Factoring in India - Bills Discounting – Real estate Industry – Housing Finance – Housing Finance system – National Housing Bank – Refinance scheme for HFCs – Asset Liability Management – Securitisation – Mortgage-Based Securitisation – Reverse Mortgage Loan (RML) Securitisation of Standard Assets.

**UNIT-IV**

Mutual Funds - Origin, Types of Mutual Funds, Importance, Mutual Funds Industry in India – SEBI’s directives for Mutual Funds, Private Mutual Funds, Asst Management company – Unit Trust of India – Evaluation of Performance of Mutual Funds – Money Market Mutual Funds – RBI Guidelines – Venture Capital: Meaning, Origin, Importance, Methods, India Scenario.

**UNIT-V**

Insurance – Meaning, Types, Insurance Industry in India and related reforms – Other Financial Services – Credit Cards – Credit Rating: Regulatory framework – Credit Rating Agencies – Rating Process and Methodology – Rating symbols/Grades – Pension Plan.

**REFERENCES**

**Khan, M.Y.**, FINANCIAL SERVICES, *Tata McGraw Hill, New Delhi, 2001.*

**Gurusamy**, MERCHANT BANKING AND FINANCIAL SERVICES, *Tata McGraw Hill, Delhi, 2009.*

**MBA (Finance) – III Semester**

**PAPER –XIV  
PROJECT MANAGEMENT**

**Course Code: 37**

**Paper code: MBFM3004**

**Objectives**

- To understand the concept of project and steps in project management
- To enable the students to prepare business proposals and
- To enable the students to evaluate the Project feasibility

**UNIT-I**

Project – Classification – Importance of Project Management – An Integrated Approach – Project Portfolio Management System – The Need – Choosing the appropriate Project Management Structure: Organizational considerations and project considerations – steps in defining the project – project Rollup – Process breakdown structure – Responsibility Matrices – External causes of delay and internal constraints.

**UNIT-II**

Project feasibility studies - Opportunity studies, General opportunity studies, specific opportunity studies, pre-feasibility studies, functional studies or support studies, feasibility study – components of project feasibility studies – Managing Project resources flow – project planning to project completion: Pre-investment phase, Investment Phase and operational phase – Project Life Cycle – Project constraints.

**UNIT-III**

Project Evaluation under certainty - Net Present Value (Problems - Case Study), Benefit Cost Ratio, Internal Rate of Return, Urgency, Payback Period, ARR – Project Evaluation under uncertainty – Methodology for project evaluation – Commercial vs. National Profitability – Social Cost Benefit Analysis, Commercial or National Profitability, social or national profitability.

**UNIT-IV**

Developing a Project Plan - Developing the Project Network – Constructing a Project Network (Problems) – PERT – CPM – Crashing of Project Network (Problems - Case Study) – Resource Leveling and Resource Allocation – how to avoid cost and time overruns – Steps in Project Appraisal Process – Project Control Process – Control Issues – Project Audits – the Project Audit Process – project closure – team, team member and project manager evaluations.

**UNIT-V**

Managing versus leading a project - managing project stakeholders – social network building (Including management by wandering around) – qualities of an effective project manager – managing project teams – Five Stage Team Development Model – Situational factors affecting team development – project team pitfalls.

[Note: Distribution of Questions between Problems and Theory of this paper must be 20:80 i.e., Problem Questions: 20 % & Theory Questions: 80 %]

**REFERENCES**

**Panneerselvam & senthilkumar**, PROJECT MANAGEMENT, *PHI, Delhi, 2009*

**Kamaraju Ramakrishna**, ESSENTIALS OF PROJECT MANAGEMENT, *PHI, Delhi, 2010*

**Arun Kanda** , PROJECT MANAGEMENT, *PHI, Delhi, 2011*

**MBA (Finance) – III Semester**

**PAPER -XV  
MANAGEMENT ACCOUNTING**

**Course Code: 37**

**Paper code: MBFM3005**

**Objectives**

- To apply various management accounting techniques to all types of organizations for planning, decision making and control purposes in practical situations and
- To familiarize Contemporary Issues in Management Accounting.

**UNIT - I**

Management accounting – Objectives, nature, and scope of Financial Accounting, Cost Accounting, and Management Accounting – Managerial Decisions – Accounting Plan and Responsibility Centers – Significance of Responsibility Accounting – Responsibility Centers – Cost Centre, Profit Centre and Investment Centre – Determinants of Responsibility Centers – Transfer Pricing – Objectives of transfer pricing – Methods of transfer pricing (simple problems) – Conflict between a division and a company - Multi-National Transfer pricing.

**UNIT – II**

Budgeting and Budgetary control – Fixed and flexible budget – Preparation of functional budget for operating and non-operating functions, Cash budgets, Capital expenditure budget, Master budget, Principal budget factors – Zero-base budgeting – Performance budgeting – Standard Costing and Variance Analysis – Material Variances – labour Variances, Overhead (Fixed and Variable) Variances – Sales Variances.

**UNIT – III**

Marginal Costing and Break-even Analysis – Cost-Volume-Profit (CVP) Analysis – Break-Even Analysis – Assumptions and practical applications of Breakeven-Analysis – Decisions regarding Sales-mix – Make or Buy Decisions – Limiting Factor Decision – Export Decision – Plant Merger – Decision of Shutdown or Continuation of a product line.

**UNIT - IV**

DuPont Analysis – Fund Flow Analysis – Cash flow analysis – Contemporary Issues in Management Accounting – Value chain analysis – Activity-Based Costing (ABC) – Quality Costing – Target and Life Cycle Costing – Theory of Constraints accounting (TOC).

**UNIT – V**

Social Cost Benefit Analysis – Decision Tree in Management – Reporting to Management – Objectives of Reporting – Reporting needs at different managerial levels – Types of reports – Modes of Reporting, Reporting at different levels of Management.

**[Note: Distribution of Questions between Problems and Theory of this paper must be 60:40 i.e., Problem Questions: 60 % & Theory Questions: 40%]**

**REFERENCES**

**Khan. MY, Jain P.,** MANAGEMENT ACCOUNTING, *McGraw Hill, Delhi, 2009*

**Singhvi. NM,** MANAGEMENT ACCOUNTING, *PHI, Delhi, 2010*

**Dr Murthy, S Gurusamy,** MANAGEMENT ACCOUNTING, *McGraw Hill, Delhi, 2009*