

Appendix – 59(R)
UNIVERSITY OF MADRAS
M.COM DEGREE COURSE IN
INSURANCE AND FINANCIAL SERVICES
CHOICE BASED CREDIT SYSTEM
(w.e.f. 2007-2008)
REGULATIONS

1. Condition for admission:

A candidate who has passed the B.Com. B.Com/B.A (Corporate Secretaryship), B.C.S., B.B.A., B.Com (Bank Management), B.A./B.Com. (Co-operation), B.A. (Indus. Org.) and B.Sc.(Maths) or B.Sc.(Comp. Sc.) or B.C.A, with any two core/main papers offered at the B.Com.

2. ELIGIBILITY FOR THE AWARD OF DEGREE:

A candidate shall be eligible for the award of the degree only if he/she has undergone the prescribed course of study in a college affiliated to the University for a period of not less than two academic years, passed the examination of all the four semesters prescribed earning 72 credits.

3. Duration of the course

The course for the Degree of Master of Commerce in Insurance and Financial Services shall consist of two academic years with four semester.

4. EXAMINATION:

There shall be four examinations, first semester examination at the middle of the first academic year and the second semester examination at the end of the first academic year. Similarly the third and fourth semester examinations will be held at the middle and the end of the second academic year respectively.

5.Course of study and scheme of examination:

FIRST SEMESTER

S. NO.	COURSE COMPONENTS	NAME OF COURSE	SEMESTER	INST. HOURS	CREDITS	HRS	MAX MARKS	
							CIA	EXTERNAL
1.	CORE	IFS 501 Insurance Law and Regulation	1	6 HRS	4	3	20	80
2.	CORE	IFS 503 Life Insurance and Products	1	6 HRS	4	3	20	80
3.	CORE	IFS 505 General Insurance and Products	1	6 HRS	4	3	20	80
4.	CORE	IFS 507 Financial Services I	1	6 HRS	4	3	20	80
5.	CORE	IFS 509 Quantitative Techniques	1	6 HRS	4	3	20	80

SECOND SEMESTER

S. NO.	COURSE COMPONENTS	NAME OF COURSE	SEMESTER	INST. HOURS	CREDITS	HRS	MAX MARKS	
							CIA	EXTERNAL
6.	CORE	IFS 502 Actuarial Science I	II	6 HRS	4	3	20	80
7.	CORE	IFS 504 Marketing of services	II	6 HRS	4	3	20	80
8.	CORE	IFS 506 Financial services II	II	6 HRS	4	3	20	80
9.	ELECTIVE I WITHIN THE DEPARTMENT I		II	6 HRS	3	3	20	80
10.	EXTRA DISCIPLINARY ELECTIVE II		II	6 HRS	3	3	20	80

THIRD SEMESTER

S. NO.	COURSE COMPONENTS	NAME OF COURSE	SEMESTER	INST. HOURS	CREDITS	HRS	MAX MARKS	
							CIA	EXTERNAL
11.	CORE	IFS 511 Actuarial Science II	III	6 HRS	4	3	20	80
12.	CORE	IFS 513 Risk Management and Insurance	III	6 HRS	4	3	20	80
13.	CORE	IFS 517 Insurance Management in India	III	6 HRS	4	3	20	80
14.	ELECTIVE III WITHIN THE DEPARTMENT		III	6 HRS	3	3	20	80
15.	EXTRA DISCIPLINARY ELECTIVE IV		III	6 HRS	3	3	20	80

FOURTH SEMESTER

S. NO.	COURSE COMPONENTS	NAME OF COURSE	SEMESTER	INST. HOURS	CREDITS	HRS	MAX MARKS	
							CIA	EXTERNAL
16.	CORE	IFS 510 Research Methodology	IV	6 HRS	4	3	20	80
17.	ELECTIVE V		IV	6 HRS	3	3	20	80
18.	ELECTIVE VI		IV	6 HRS	3	3	20	80
19.	PROJECT PLUS VIVA VOCE	IFS 512	IV		6	-	150 Project * 50 Viva Voce (Viva – fully external)	
19 & 20	In lieu of Project 19 - 20	IFS 514 Banking services			3	3	20	80
		IFS 516 Mutual Funds			3	3	20	80

* Project Internal – 50 Marks

External – 100 Marks

ELECTIVES

1. IFS 518 Business Forecasting
2. IFS 519 E – Commerce
3. IFS 520 Management Information System
4. IFS 522 Accounting for Services
5. IFS 523 Services tax
6. IFS 524 Computer applications in business
7. IFS 525 Investment management
8. IFS 526 Foreign Exchange
9. IFS 527 Financial Markets

EXTRA DISCIPLINARY COURSE FOR OTHER STUDENTS

10. IFS 521 Corporate Ethics and Governance
11. IFS 528 Customer Relationship Management

54 Credits to secure from Core Papers in all the four semesters including Project Work.
Minimum total credits 72 credits for securing a Post - graduate degree in a given subject.

6. Requirements for proceeding to subsequent semester:

- i. Candidates shall register their names for the First Semester Examination after the admission in the PG Courses.
- ii. Candidates shall be permitted to proceed from, the First Semester upto Final Semester irrespective of their failure in any of the Semester Examination subject to the condition that the candidates should register for all the arrears subjects of earlier semester along with current (subsequent) Semester subjects.
- iii. Candidates shall be eligible to go to subsequent semester, only if they earn, sufficient attendance as prescribed therefore by the Syndicate from time to time.
- iv. Provided in case of candidate earning less than 50% of attendance in anyone of the Semesters due to any extraordinary circumstance such as medical grounds. Such candidates, who shall produce Medical Certificate certified by the Principal of the College, shall be permitted to proceed to the next semester and to complete the course of study. Such candidate shall have to repeat the missed semester by rejoining after completion of final semester of the course, after paying the fee for the break of study as prescribed by the University from time to time.

7. Passing Minimum:

A candidate who has secured a minimum of 50 marks in all the papers prescribed and earned a minimum of 72 credits will be considered to have passed the masters degree. Candidates who do not obtain the required minimum marks for a pass in a paper(s)/ project shall be required to appear for and pass the same at a subsequent appearance.

8.. Classification of Successful Candidates:

Candidates who secured not less than 60% of the aggregate marks in the whole examination shall be declared to have passed the examination in the First Class.

All other successful candidates shall be declared to have passed in Second Class.

Candidates who obtain 75% of the marks in the aggregate shall be deemed to have passed the examination in First Class with Distinction provided they pass all the examinations prescribed for the course in the first appearance.

9. GRADING SYSTEM:

The term grading system indicates a Seven (7) Point Scale of evaluation of the performances of students in terms of marks obtained in the CIA and External Examination, grade points and letter grade.

SEVEN POINT SCALE (As per UGC notification 1998)

GRADE	GRADE POINT	PERCENTAGE EQUIVALENT
`O' = Outstanding	5.50 – 6.00	75 – 100
`A' = Very Good	4.50 – 5.49	65 – 74
`B' = Good	3.50 – 4.49	55 – 64
`C' = Average	3.00 – 3.49	50 – 54
`D' = Below Average	1.50 – 2.99	35 – 49
`E' = Poor	0.50 – 1.49	25 – 34
`F' = Fail	0.00 – 0.49	0 - 24

10. Ranking:

Candidates who pass all the examinations prescribed for the Course in the FIRST APPEARANCE ITSELF ALONE are eligible for Classification/Ranking/Distinction :

Provided in the case of Candidates who pass all the examinations prescribed for the Course with a break in First Appearance due to the reasons as furnished in the Regulations under REQUIREMENTS FOR PROCEEDING TO SUBSEQUENT. SEMESTER are only eligible for Classification/Distinction.

11. PATTERN OF QUESTION PAPER

Part A ($7 \times 2 = 14$)

7 out of 10 questions (Each requiring 2 to 3 lines of answer or 30 words) (2 questions from each unit)

Part B ($5 \times 6 = 30$)

5 either or type questions (Each requiring 2 to 3 pages answer or 500 words) (1 from each unit)

Part C ($3 \times 12 = 36$)

3 out of 5 questions (Each requiring 4 to 5 pages answer or 1200 words) (1 from each unit)

12. APPEARANCE FOR IMPROVEMENT:

Candidates who have passed in a theory paper / papers are allowed to appear again for theory paper / papers only once in order to improve his/her marks, by paying the fee prescribed from time to time. Such candidates are allowed to improve within a maximum period of 10 semesters counting from his/her first semester of his/her admission. If candidate improve his marks, then his improved marks will be taken into consideration for the award of Classification only. Such improved marks will not be counted for the award of Prizes / Medals, Rank and Distinction. If the candidate does not show improvement in the marks, his previous marks will be taken into consideration.

No candidate will be allowed to improve marks in the Practicals, Mini Project, Viva-voce, Field work.

13. Transitory Provision:

Candidates who have undergone the course of study prior to the academic year 2007-2008 will be permitted to appear for the examinations under those Regulations for a period of three years i.e., upto and inclusive of April/May 2011 Examinations. Thereafter they will be permitted to appear for the examinations only under the Regulations then in force.

GUILDLINES FOR INTERNAL ASSESSMENT

Work Load for Project work is 12 hours per week. Internal assessment for project work is to be carried out by the Departmental Committee with HOD as the Chair Person and all project Guides as members. They should assess each candidate based on two presentations. Each candidate should present two seminars. The first one after one month of commencement of the Project Work where in the proposal for the project work and review of literature should

be presented. The second seminar should be presented before submission of the Project Report. The second presentation should cover the results of project Work. For each presentation 25 marks shall be allotted.

At the option of the college, the students shall be asked to undergo Institutional training for 4 weeks during summer vacation immediately after first year. If such arrangement is made, the candidate shall be asked to make a presentation in the first week of 4th semester on the training programme undergone and the experience gained. 20 marks may be allotted for this presentation. Where ever Institutional training is encouraged, the project related seminars shall carry 15 marks each.

GUIDELINES FOR CONTINUOUS INTERNAL ASSESSMENT

In case of internal assessment for other papers, each faculty member should conduct a minimum of two tests and the students should write atleast one assignment and present one seminar in the subject taught by the faculty member. The marks may be allotted to each component and the total internal assessment marks obtained by each student shall be recorded. Each faculty member and the Department should maintain a record of the details of internal assessment marks awarded to each student.

Each year in the beginning of the 4th semester the Head of Department and the faculty members who are involved in the project guidance should prepare a list of topics for project work and the students should be asked to choose from the list. Each student should work on a different topic.

The viva voce for each candidate shall be conducted by the external examiner appointed by the University.

INSTRUCTIONS for COURSE TRANSACTIONS

Out of the total teaching hours allotted to each paper, the departmental committee may allocate needed number of hours to the following:

Practicals

Library work

Seminars

Tutorials

Quiz

Field Work

Institutional visits

Proportion of marks for problems in problem oriented papers are given under the syllabus for the respective papers.

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SYLLABUS

SEMESTER – I

IFS 501 INSURANCE LAWS AND REGULATIONS (Credits-4)

OBJECTIVE

1. Learn the various terms under IRDA ACT, LIC ACT and GIC Business Act
2. Know the procedures relating to life insurance proposal
3. Provide an insight into the working of the IRDA regulations

Unit – I

Terms defined in the law and penalties under act 1938- IRDA act 1999- Insurance act 1938-Amendment acts 2002-LIC act 1956. GIC Business act 1972.

Unit – II

Life insurance – definition as per insurance act 1938- contract – offer-acceptance-consideration- capacity to contract- free consent-factors that affect free consent –coercion-under influence-misrepresentation-fraud-mistake of fact-mistake of law-void contracts-voidable contracts-object of contract illegal- object of contract impossible of performance-object of contract immoral – discharge of contract- performance-performance excused-refusal to perform-refusal to perform-breach of contract-act becoming impossible or illegal – recession- notation-remission-accord and satisfaction.

Unit - III

Life Insurance Proposal –acceptance-consideration-performance-lapsing of policy on non-payment of premium-revival of lapsed policy-novation of life insurance contract-paid up value-surrender value-guaranteed surrender value- non-forfeiture in certain events-assignment of a policy (u/s 38 of insurance act)-nomination (u/s 39 of insurance act)-prohibition of rebates (u/s41 of insurance act).

Unit - 1V

Insurance advisory committee regulation 2000 –IRDA regulations2000- IRDA regulations 2000 (actuarial report and abstracts).IRDA regular 2000 (licensing of insurance agents). IRDA regulations 2000 (assets, liabilities and solvency margin of insurance)

IRDA regulation 2000(general insurance and reinsurance). IRDA Regulations (registration of Indian insurance companies).IRDA regulation 2000 (insurance advertisement and disclosure) , obligation of insurer to rural social sector, meeting

Unit - V

IRDA Regulations 2002 (preparation of financial statement and auditor's report of insurance companies, investment, insurance surveyors and loss assessors regulation 2000-licensing,professional requirements and code of conduct, salary and allowance payable to and other terms and conditions of services to chairperson and other members, life insurance and reinsurance ,form of annual statement of accounts and records ,conditions of services of officers and other employees.

IRDA regulations 2001 – third party administrators, health services, reinsurance advisory committee –regulation 2002- protection of policy holders interest ,insurance brokers, licensing of corporate agents, manner of receipt of premium, distribution of surplus.

References:

Insurance & Laws Manual, Ravi Puliani & Mahesh Pulani, Bharat Law House Pvt. Ltd.

IFS 503

LIFE INSURANCE AND PRODUCTS (Credits-4)

OBJECTIVE

1. Know the scope of Insurance, need for life insurance, risk, saving and investment
2. Understand the treatment of premium, claim and group insurance
3. Learn about the various types of life policies – Endowment, Whole life, Money back, Pension plan

Unit – I

General scope of insurance, insurance of personal life, personal accident, sickness, health. application of insurance interest , indemnity.

Basic life insurance benefits – term assurance, pure endowment-combination of these benefits-with profit policy. Life insurance plans to meet every human needs-plans for risk cover-plans for saving and investment-plan for women and children-plan for handicapped, options and policies, riders on policies.

Unit – II

Risk of living too long-pension-annuity plan-survival rate-single premium pension plan-annual premium pension plan- pension options-option on mode of payment of pension-income tax treatment of premium and claim proceeds, group insurance, group gratuity insurance group super annotation insurance, group savings linked insurance.

Unit – III

Endowment plans-introduction, what are endowment plans-merits and demerits-features-tax treatment-different types of plans-endowment with profits, convertible whole life, limited payment with profits, endowment plus whole life plans.

Unit – IV

Money back plans- children's policies –policies for handicapped-high risk low premium plans-whole life &money back plans, introduction, merits and demerits of the plan, features and tax treatment

Unit – V

Pension plan – medical insurance – investment plan- whole life policy -whole life policy with profit –limited payment life policy with profit, introduction, uses, merits and demerits of the plans ,types of plans, features and tax treatment.

References:

1. Insurance, Julia Holyoak & Bill Weipers, CIB Publication
2. Websites of life insurance companies viz.
 - a. www.lic.com,
 - b. www.metlife.com
 - c. www.aviva.com

IFS 505 GENERAL INSURANCE AND PRODUCTS (Credits-4)

OBJECTIVE

1. Understand the basic concepts of general insurance
2. Learn the principles, practices, procedures and treatments of Fire insurance policies
3. Provide a through understanding of the Marine Insurance, its working, types and settlement procedure
4. Study the benefits of Accident insurance and Burglary insurance

Unit – I

Introduction- basic concepts-terms –types of general insurance.

Unit – II

Fire insurance-general principles, causes of fire, measures to indemnity, fire policies and conditions, special perils and fire hazards –fire underwriting-legal aspects of fire insurance-practices of fire insurance-claims, procedures/survey and inspection, insurance of wages –lay off –retrenchment, compensation-loss not covered by fire policy.

Unit – III

Marine insurance-geographical region-principal commodities and patents of trade, important markets, functions, principles of marine insurance. Marine insurance act, policy form, Lloyds for Hull, cargo construction of policy, wording, voyage, vessels, perils, assignments. Types of policy ,shipping mercantile practices ,selection of risk, condition of insurance – payment of insurance-losses ,abandonment-ship-owner's liability, settlement procedures

Unit – IV

Accident insurance –development –scope, classification ,personal accidents and sickness insurance. Physical and moral hazards ,specialized risk, group policies- medical benefits and hospitalization schemes, reinsurance, claims ,investigation. Fidelity guarantee insurance-basic principles-commercial fidelity guarantee, court bond claims and reinsurance.

Unit – V

Burglary insurance-introduction-salvage association& average adjusted operations and functions of surveyors, York and Antwerp rules, reinsurance , recoveries from third parties, money in transit, jewelries block policy. Motor insurance-basic principles, compulsory insurance provision, private car policies, commercial vehicle policies, motor cycle policy-claims and investigation-motor accident claims- tribunal-reinsurance. Public third party liability insurance-basic principles, scope of cover of product liability insurance, professional indemnity claims & reinsurance.

References:

Insurance Management, Anand Ganguly, New AGE International

Web sites of general insurance companies viz.

- a. www.royalsundaram.com
- b. www.orientalinsurance.nic.in
- c. www.icicilombard.com

OBJECTIVE

1. Provide an introduction to financial services
2. Understands the procedures relating to public issues
3. Familiarize the initial public offer through stock exchange on-line system (E-IPO)
4. Gain insight into the evolution, growth and working of NBFC

Unit – I

Introduction to financial services – Merchant Banking – Meaning, origin and growth – Evolution of merchant Banking in India – Scope of Merchant Banking services – Organization and management patterns of Merchant Banking – Role of Merchant Banking in maintaining health and credibility of the capital market.

Unit – II

Merchant Banking functions – Capital structure decisions – Procedural aspects of Public issues, right issues – Prospectus, regulation and certificates – Underwriting and managing Public issues – SEBI guidelines.

Unit – III

Management of new issues – Pricing of Initial Public issues – Eligibility norms – Rating of new issues - Raising foreign capital – Inter corporate loans and fixed deposits.

Unit – IV

Initial Public Offer through Stock Exchange On-line system (E-IPO) – Issue of capital by designated financial institutions – Pre-issue and Post-issue obligations and other requirements. Fraudulent and UFTP regulations – Insider trading Regulations.

Unit – V

NBFC – evolution – growth – advantages – issues – causes of failure.

References:

20. B.C. Lakshmana, C.N.Krishna Naik, Merchant banking in India, Deep & Deep Publications Ltd,2000.
21. M.Y. Khan, Financial Services, Tata Mc-Graw Hill – II ed,2002.
22. B.S.Bhatia, G.S.Batra, “Management of Financial Services”, Deep & Deep Publications,2000.
23. Gordon E, and K.Natarajan, “ Emerging scenario of Financial services”, Himalaya Publishing House, Mumbai.
24. Santhanam, B., “Financial Services”, Margham Publication, Chennai, 2003.

IFS 509**QUANTITATIVE TECHNIQUES****(Credits-4)****OBJECTIVE**

1. To study about the various types of distribution and how to make decisions under certainty and uncertainty conditions
2. To study about the techniques of sampling distribution, testing hypothesis by using different kinds of tests like Chi square, F test, ANOVA etc
3. To know about the techniques of correlation, regression, multivariate analysis, factor, cluster and discriminant analysis
4. To study about LPP, Transportation and Assignment techniques for solving problems

Unit – I

Theory of probability – probability rules – Baye’s theorem – Probability distribution – Binomial, Poisson and Normal. Statistical decision theory -- Decision environment -- decision making under certainty and uncertainty and risk conditions - EMV, EOL and marginal analysis - value of perfect information - decision tree analysis.

Unit – II

Sampling-Meaning of random sample - sampling methods - sampling error and standard error - relationship between sample size and standard error

Sampling distribution - characteristics- central limit theorem - estimating population parameters -point and interval estimates - estimating proportion, percentage and mean of population from large sample and small sample.

Unit – III

Testing hypothesis -testing of proportions and means large samples - small samples - one tailed and two tailed tests - testing differences between mean and proportions - errors in

hypothesis testing - chi square distribution - characteristics - applications of tests of independence and tests of goodness of fit - inferences - F distribution- testing of population variance- analysis of variance - one way and two way.

Unit – IV

Correlation and regression Simple, partial and multiple correlation - simple, partial and multiple regressions - estimation using regression line - standard error of estimate - testing significance of correlation and regression coefficients - interpreting correlation - explained variation and explained variation - coefficient of determination- multivariate analysis - factor, cluster and discriminant analysis.

Unit – V

Linear programming graphic and simplex models - maximisation and minimization – Transportation – Assignment.

Note- The question paper should consist 80% problems and 20% theory questions.

References:

- 1 Richard I.Levin and David S. Rubin, Statistics for Management, Prentice Hall of India, 6th Edn., 1995.
- 2 S.P.Gupta, Statistical Methods, Sultan Chand, 1990.
- 3 Sanchetti and Kapoor, Statics, Sultan Chand, 1992.
- 4 G.C.Beri, “ Statistics for management”, Tata Mc Graw Hill, 2003
- 5 J.k.Sharma, “ Business Statistics”, Pearson, 2004
- 6 Anderson Sweeney Williams, “ Statistics for Business and Economics”, Thomson. 2002
- 7 R.P.Hooda, “ Statistics for Business”, Mc Millan, 2003

SEMESTER – II

IFS 502

ACTUARIAL SCIENCES - I

(Credits-4)

OBJECTIVE

1. Introduce the actuarial principles
2. Learn the stochastic process and its applications
3. Study the various models of individual claims
4. Know the laws of reinsurance, bays theorem, Bayesian approach

Unit – I

Concepts of insurance, types of life and general insurance, alternative classifications, history of insurance in India, legal principles under Indian contract act 1872

Unit – II

Financial principles –premium income and outtage investment, reserves and surplus, profits, valuation of surplus. Theory of rating, actuarial principles, mortality trading, physical and moral hazards. Risk appraisal, risk selection-reinsurance-concept and method

Unit – III

Principles of actuarial modeling, general principles of stochastic processes and their classifications in the different types, application of Markov chain, application of Markov process, analysis of time series and its applications . Monte Carlo simulation of stochastic processes.

Unit – IV

Models of individual claims, random variables, sum of independent random variable, approximation for the distribution of the sum , applications to insurance . collective risk model ,distribution of aggregate claims , selection of basic distribution of N, individual claim amount of distribution, approximation to the distribution of aggregate claims.

Unit – V

Claim process, adjusted coefficients, discreet time model ,maximum aggregate loss , approximating the individual model, stapes laws of reinsurance and effects of reinsurance on the probability of ruin . Credibility formula, bays theorem, Bayesian approach to the updating of claims, frequency rates.

Note- The question paper should consist 40% problems and 60% theory questions.

References:

1. Life Insurance Mathematics, Gerber
2. Actuarial Mathematics (Part A), Bowers et al

IFS 504

MARKETING OF SERVICES

(Credits-4)

OBJECTIVE

1. Know the characteristics, classifications of services
2. Learn the various marketing strategies for service firms
3. Know the trends in Financial Services Marketing

4. Understand the marketing approach of life Insurance and banking services
5. Learn about the growth of services in international markets and the contemporary issues in services marketing

Unit – I

Marketing of Services –Conceptual frame work – Characteristics of Services – Classification of Services –Marketing mix in Service Marketing – Effective management of Services marketing.

Unit –II

Marketing Strategies for Service firms – with special reference to Information, Communication, Consultancy, Advertising, Professional services and Tourism – Innovation in Services.

Unit – III

Marketing of Financial services – Marketing and Competitive Environment – The Financial Services Marketing Mix –Planning for Service Strategies – Trends in Financial Services Marketing.

Unit – IV

Marketing approach of Life Insurance – Insurance Products – Life Insurance Marketing Strategy System – Product Development –Price Determination – Promotional strategies – Policy Servicing.

Banking services – Target Consumer – Strategies for Banking Services – Bank marketing Organisation – Evolution – Future of Banking Services Marketing.

Unit – V

Growth of Services in International Market – Strategic Alliances – Globalised Strategies – Creating Corporate Advantages for Indian Firms – Contemporary issues in Services Marketing.

References:

1. Audrey Gilmore, ‘ Services Marketing & Management’, The Sage Publications 2003.
2. Mary Ann Pezzullo, ‘Marketing Financial Services’,Mac Millan 2004.
3. Helen Woodruffe, ‘Services Marketing’, Mac Millan 2004.
4. P.K.Sinta & S.C. Sahoo, ‘ Services Marketing’ , Himalaya Publishing house Ltd.1994.
5. Dr. S.Shajahan, ‘ Services Marketing – Concepts, Practices & Cases’,Himalaya Publishing house 2001.
6. Dr.S.Gurusamy, ‘ Financial Services & System’, Vijay Nicole Imprints Pvt. Ltd.2004.
7. Seth, ‘ Marketing of Banking Services’, Mac Millan 1997.
8. L.N.Kumar , ‘Strategic marketing of Banking Services’, Oscar 2003.

OBJECTIVE

1. Understand lease financing, its types, factors and its accounting treatment
2. Review the operations of Hire Purchase companies
3. Introduce the concept of factoring, its types
4. Study the procedure of credit rating and the role of CRISIL and ICRA
5. Know venture capital, its nature and scope

Unit – I

Lease Financing – Why Leasing? – Types of Leasing Fixation of lease rentals – Factors influencing lease Vs Buy decision – Accounting treatment for leasing – Growth and prospects of leasing industry in India

Unit – II

Hire purchasing & manufacturing Hire purchase – Meaning concept – growth of higher purchase companies in India – Source of finance – James Raj Committee recommendations R.B.I. guidelines for hire purchase – Hire purchase companies and transport industry – problems and prospects of Hire purchase companies in India

Unit – III

Factoring – Concept of Factoring – Why factoring ? – Types of factoring business- Kalyana Sundaram Committee recommendations

Unit – IV

Credit rating – Objective – Institutions engaged in credit rating – procedure of rating – rating of Debentures Fixed Deposits – Short term instruments – Role of CRISIL and ICRA

Unit – V

Venture Capital – Nature and Scope – Regulatory Environment – Venture Capital investment process – Evaluation Criteria – Limitations – Venture Funds in India

Note- The question paper should consist 40% problems and 60% theory questions.

References:

1. I.K.V. Kamath, s.A. Kerban and T. Viswanath, “The Principles and practices of Leasing”, Lease Asia, England 1990.
2. B.S. Bhatia, G.S. Batra, “Management of Financial Services” Deep & Deep Publications, 2000
3. J.C.Varma, “ Credit Rating”, Bharat Publications, Delhi, 2000
4. V.K.Bhalla, “ Management of Financial Services”, Anmol Publications, 2002
5. M.Y.Khan, “Financial services”, Tata Mc Graw Hill, 2001
6. Dr.S.Gurusamy, ‘ Financial Services & System’, Vijay Nicole Imprints Pvt. Ltd.2004.
7. Santhanam, B., “Financial Services”, Margham Publications, Chennai, 2003.

SEMESTER – III**IFS 511****ACTUARIAL SCIENCES II****(Credits-4)****OBJECTIVE**

1. Learn the calculations of present value and accumulated value
2. Study the probability properties of probability
3. Learn to construct mortality table
4. Know policy values and IRDA regulations

Unit – I

Compound interest rates-nominal rates- effective rates- accumulated value- discounting – present value- equation of value- equated time of payment –series of payments –annuities-annuity certain- annuity due- deferred annuity certain- differed annuity due-perpetuity – calculation of present value and accumulated value.

Unit – II

Probability properties of probability – addition theorem of probability –multiplication theorem of probability-permutations and combinations—mortality table- probabilities of survival and death –selection and select rates –period of selection- the ultimate table- the aggregate table.

Unit – III

Construction of mortality table- object- procedure-data to be used-period of investigation-unit of investigation –method of investigation-life year method- calendar year method-policy year method- census method- application of census method to life office data- determination of exposed to risk and death –data cards- sorting of data and finding ex (policy year method) –select rates- exposed to risk formula for other methods- fractional exposures- obtaining observed mortality rates –graduation-construction of mortality table.

Unit – IV

Life assurance premiums- general considerations- life assurance benefits- pure endowment assurance- endowment assurance- term assurance- life annuities- temporary annuities-office premiums-loading in premium rates for expenses-expression for office premiums –bonus loading in premium rates- consistency of premiums –select premiums – selection against the insurer.

Unit – V

Valuation –policy values- prospective policy values- retrospective values- policy value in symbols-calculation of policy value for unit sum assured- net premium method of valuation-modified net premium method of valuation-gross method of valuation –gross premium bonus reserve method of valuation- new business strain- surplus and methods of distribution— contribution method- simple reversionary bonus- compound reversionary bonus- bonus in reduction of premium –tontine bonus- discount bonus- interim bonus- solvency margin- report of actuary under insurance act and IRDA regulations.

Note- The question paper should consist 60% problems and 40% theory questions.

References:

1. Actuarial Practice of General Insurance,Hart, Buchanan and Howe, Institute of Actuaries of Australia

IFS 513

RISK MANAGEMENT AND INSURANCE (Credits-4)

OBJECTIVE

1. Know about risk, risk management process and techniques
2. Learn about risk financing
3. Understand risk management applications
4. Study the process of government regulations of insurance sector and privatization of insurance business in India

Unit – I

Risk and risk management process - risk identification - evaluation - risk management techniques as a risk management technique-selecting and implementing risk management techniques.

Unit – II

Commercial risk management applications - property - liability-commercial property insurance different policies and contracts - business liability and risk management insurance - workers' compensation and risk financing.

Unit – III

Personal risk management applications property - liability-risk management for auto owners - risk management for homeowners.

Unit – IV

Risk management applications-loss of life-loss of health - retirement planning and annuities - employee benefits - financial and estate planning.

Unit – V

Risk management environment - industry - functions and organisation of insurers - Government regulation of insurance sector - IRA - Privatisation of insurance business in India - changes in Insurance Act - Insurance intermediaries insurance products pricing, claim valuation - Foreign insurers in India.

References:

- 1 Rejda, George E., “Principles of Risk Management and Insurance”, 6th Edn, Addison Wesley Longman, 1998.
- 2 McNamara, “Principles of Risk Management and Insurance”, Addison-Wesley
- 3 Dorfman, “Introduction to Risk Management and Insurance”, Prentice Hall, 1998.
- 4 Williams; Heins, “Risk Management and Insurance”, McGraw Hill Pub.
- 5 James S.Trieschman, Sandra G.Gustavsonh, Robert E.Hoyt, Risk management and Insurance, Thomson Asia Pvt. Ltd., Singapore, 2002.
- 6 Insurance Act - Latest.
- 7 Sengupta Mrinal Chandra, Insurance Finance, Progressive Publishers, New Delhi, 1997.
- 8 Steward Doss & V.S. Kaveri Total Quality assessment in Insurance, Akanksha publishing house, New Delhi, 2002.

OBJECTIVE

1. Study about the insurance organizations and management
2. Comprehend the role of insurance intermediaries in emerging market
3. Learn the computation of premium, bonus and claim
4. Understand the various methods of pricing of insurance products

Unit – I

Insurance organization and management – Organisation's forms in Life and Health insurance – Organisational structure – Life insurers management and Office administration – Insurance documentation – Publicity – Proposal forms – Policies contracts – Premium receipts – Endorsement – Renewals.

Unit – II

Role of Insurance intermediaries in emerging markets – Agency regulation – Pre-requisites – Training procedures for becoming an agent – Remuneration and other benefits – Agency commission structures – Functions of an agent.

Unit – III

Underwriting and claims – Computation of premium and Bonuses – Claims – Annuities – Pensions – Claim processing and settlement – Role of surveyors – Opportunity to appeal – Considerations in deriving gross premiums – Developing the tentative cross – Premium rate structure – Surplus and its distribution – Annual claim costs – Premium rate variables – Need for underwriting - Principles in underwriting - Features affecting Insurability.

Unit – IV

Investment management – Objectives of investment policy – nature of investments – Magnitude of funds – Investments of funds – Constrains of stock market – 'Non-Life' investments – Capital adequacy and capital management – Mobilising large resources – Investor or Policyholder protection.

Unit – V

Pricing of insurance products – Impact of legislation and competition on pricing – Taxation and policies – Market related policies – Cost consciousness – Accounting practices – Scale of operations – Factors having impact on the demand for insurance – Rigidities in the present pricing system – Getting out of a controlled price regime – Price behaviors in a deregulated market.

References :

1. Kenneth black Jr., Harold D. Skipper.Jr, “ Life and Health Insurance”,Pearson Education – 2003.
2. P.S.Palande, R.S.Shah, M.L.Lunawat, “Insurance in India”, Response Books – 2003.
3. D.C.Srinivasan, Shashank srivastsava, “Indian Insurance Industry”, New century publication 2001.
4. Julia holyoake & Bill weipers “Insurance”, CIB publications, Delhi – 2002.
5. Anand Ganguly, “Insurance management”, New age publications – 2002.

SEMESTER – IV**IFS 510****RESEARCH METHODOLOGY****(Credits-4)****OBJECTIVE**

1. Learn the meaning purpose and types of research
2. Formulate hypothesis – its testing
3. To know the method of data collections
4. To learn to process and analyze data
5. Prepare a report, its types and styles

Unit – I

Research – meaning & purpose – types of research – pure and applied, survey, case study – experimental, exploratory - Research design – steps in selection & formulation of a research problem – steps in research - review of literature.

Unit – II

Formulation of hypothesis – types, sources – testing – sampling techniques – sampling error & sample size.

Unit – III

Methods of data collection – primary & secondary data – observation – interview – questionnaire – construction of tools for data collection – Testing validity and reliability – Pilot study and Pre-testing.

Unit - IV

Processing & analysis of data – editing – coding – transcription - tabulation – outline of statistical analysis – descriptive statistics – elements of processing through computers – packages for analysis.

Unit – V

Report writing – target audience – types of reports – contents of a report – style and conventions in reporting – steps in drafting a report.

References:

1. William C. Emory, Business Research Methods, R.D. Irwin Inc.
2. Robert G. Murdick, Business Research: Concepts & Practice, International Text Book Company
3. Claus Moser & Graham Kalton, Survey Methods in Social Investigation, Gower Publishing Co.
4. Anderson J. Berry H.D. & Poole M., Thesis & Assignment Writing, Wiley Eastern Ltd.
5. Kothari C R, Research Methodology, Vikas Publishing Ltd.
6. Krishnasamy O R, Research Methodology,

IFS 514

BANKING SERVICES

(Credits-3)

OBJECTIVE

1. To learn the meaning, Importance and the Economic and Monetary implications of banking operations
2. Know the various forms of advances extended to banks
3. Study the various provisions of the Banking Regulations act 1949, RSI Act, Negotiable Instrument Act 1881
4. To gain insight in to E-banking services

Unit – I

Banking Services – Meaning and Importance – Economic and Monetary implications of Banking Operations – Tangible Services – Deposits , Withdrawals and Lending – Intangible Services – Improved Customer Services – Deficiency in Services – Ways to Improve the Services.

Unit – II

Banking Services – Loans and Advances – Forms of Advances – General Loans, Overdrafts, Clean advances, Term advances, Consumer Loans, Foreign bills purchases, Advances against Hire purchase advances, Packing Credits – Import loan – Industrial advances – Advances to Small borrowers – Agricultural Financing-advances.

Unit – III

Regulations for Banking Services – Banking Regulation Act 1949 – RBI Act 1934 – Negotiable Instrument Act 1881- Endorsement, Crossing of Cheques, Payment of Cheques, Collection of Cheques, Bills of Exchange and Promissory Notes, Rights and Liabilities of parties to Negotiable Instrument – Relationship between Banker and Customer.

Unit – IV

E – Banking Services – Internet Banking – Phone Banking – Mobile Banking – ATM's - Debit Card – Credit Cards .

Unit – V

Service to Customers – Various types of Services declared by a Banker to a Customer - Globalised Challenges in Banking Services – New Trends in Banking Services –

References:

1. B.S.Khubchandani, 'Practice and Law of Banking', Mac Millan India Ltd 2000.
2. K.C.Nanda, 'Credit and Banking', Response Book, Sage Publications , 1999.
3. Sundram & Varshney, 'Banking and Financial System', Sultan Chand & Sons.
4. Dr.S.Gurusamy, 'Financial Services & System', Vijay Nicole imprints Pvt Ltd.
5. H.L.Bedi & V.K.Hardikar, 'Practical Banking'.
6. C.Jeevanandan, 'Practice & Law of Banking'.

IFS 516

MUTUAL FUNDS

(Credits-3)

OBJECTIVE

1. Understand the concepts, nature and role of mutual funds
2. To provide an insight into growth and performance of mutual funds
3. Study the marketing analysis for mutual funds
4. Know the process of investor protection and mutual fund regulations

Unit – I

Mutual Funds – Concept – Nature – Role of Mutual Funds – Benefits of Mutual Fund Investing - Mutual Funds Investors - Mutual Funds in India and Other Developed Countries.

Unit –II

Growth and Performance of Mutual Funds – Phases of Development – Structure of Indian Mutual Funds – Types of Mutual Funds Schemes - Open-end Funds/Closed-end Funds/Fixed Term Plans, Load Funds/No Load Funds, Tax Exempt/Non Tax Exempt Funds - Money Market Funds, Equity Funds, Debt Funds, Commodity Funds, Real Estate Funds – Growth and Operational Highlights – Indian offshore Funds.

Unit – III

Evolution - Performance of Mutual Funds – NAV – Treynor model – Sharpe model - Marketing plan for a Mutual Fund – Marketing analysis for Mutual Funds – The scope of the market for Mutual Funds – Market research for Mutual Funds.

Unit –IV

Investment management of Mutual Funds – Asset management company (AMC) – Functions and Procedures – Risk associated with investing – Investment and Asset allocation Patterns – Investment strategies – Investment research.

Unit – V

Investor Protection and Mutual Fund Regulation – Guidelines – RBI, UTI, SEBI – Deregulation –Market Imperfection – Investment risk – Need for Mutual Fund regulation.

References:

1. H.Sadhak, 'Mutual Funds in India', Response book, Sage publications 1997.
2. Dr.S.Gurusamy, 'Financial services and systems', Vijay Nicole Imprint Pvt. Ltd.2004
3. Landerman, Jefferey M, 'Business week's Guide to Mutual Fund', Mc Graw Hill.
4. Friend, Irwin M.Blume & J Crockett, 'Mutual Funds & Other Institutional Investors', Mc Graw Hill.
5. Albert J Fredman, Russwiles, 'How Mutual Funds works', Prentice Hall 1997.
6. H.K Singh, Meera singh, 'Mutual Funds & Indian Capital market- Performance and Profitability', Oscar publishers 2000.
7. K.G.Sahadevan & M. Thiripalraju, 'Mutual Funds – Data, Interpretation and Analysis', Prentice hall 1997.
8. M.Jayadev , 'Investment Policy & Performance of Mutual Funds', Oscar Pub 1998.
9. M.S.Turan & B.S.Badla, 'Perfomance Appraisal of Mutual Funds', Oscar Pub.2002
10. Ashok Motilal Agrawal, 'Mutual Funds – Emerging trends & Prospects', Oscar Pub 2002.

ELECTIVES

IFS 518

BUSINESS FORECASTING

(Credits-3)

OBJECTIVE

1. Learn the need and importance of forecasting
2. Study the various methods of forecasting
3. Prepare proforma statement, cash flow statement
4. Learn the long range financial forecasting techniques and market share forecasting

Unit – I

The forecasting perspective: need for forecasting, Importance Of business forecasts, what to Forecasts- Who uses forecasts- Forecast accuracy- Evaluation techniques- uses and limitations of forecasts.

Unit – II

Methods of forecasting- statistical forecasting- survey methods- moving averages- Exponential smoothing- Trend projection by regression analysis- non-linear relationships- Time series problems- lagged variables- dummy variables- opportunistic forecasting- forecasting input output analysis.

Unit III

Financial forecasting- proforma statements- percent of sales forecasting, proforma statements- and financial planning- cash flow forecasts- sustainable growth modeling.

Unit – IV

Long ranger financial forecasting- Risk analysis of capital Investments- sensitivity analysis- simulation analysis- Selection of a project.

Unit – V

Market share forecasting- forecasting for inventory control-Technology forecasting- growth forecasting and Environment management.

Note- The question paper should consist 40% problems and 60% theory questions.

Reference:

1. Business forecasting by John.E. Hanke, Dean. W. Wichern, Arthur.G.Reitsch- prentice hall India.
2. Forecasting methods by Roger.K.Chisolm, and Gilbert.r.Whitaker-Homewood 1971.
3. Forecasting methods and applications by Spyros Makridakis, Steven.C.Wheelwright, Rob.K.hyndman-John Wiley & sons.
4. Fundamentals of financial management by Dr. Prasanna Chandra- tata Mc craw – Hill publishing company limited.
5. Financial management & policy by James.C.Van Horne- PHI.
6. Management decisions and the role of forecasting by James morel.
7. Managers guide to business forecasting by Michael barrn & David Targell.
8. Strategic business forecasting by Jae.K.Shim & Joel.G.Sugel & C.J.Liew – Jaico publishing house.

IFS 519**E-COMMERCE****(Credits-3)****OBJECTIVE**

1. Know the bases of internet
2. Learn the internet security
3. Familiarize with E-Commerce and on line Commerce
4. Know HTML, Tags, Hyper links
5. Learn the subject both theoretically and practically

Unit – I

Introduction : Introduction to Internet, Web servers, Web browsers, World wide web, Web pages, URL's e-mail, ftp, telnet, modems and ISP's (Internet Service Provider)

Unit – II

Internet Security: Public/Private key pairs-Digital certificate - Digital signatures - Encryption and Decryption - Message Digests - Secure Hash Algorithms (SHA).

Unit – III

E-Commerce : EDI (Electronic data interchange) - Search engines - Digital currency, e-cash, e-cheque, credit card, charge. card.

Unit – IV

Online Commerce : Interactive web pages, e-shopping, e-banking, e-agriculture, e-governance.

Unit – V

HTML : Tags, Hyper-links, lists, framesets, tables, formats, images, forms (Post, Get, Read).

Note:

The practical examination will be conducted by an internal examiner and an external examiner jointly.

The theory paper (3 hours and 100 marks) will be scaled to 50 marks. The practical paper (3 hours and 100 marks) will be scaled to 50 marks. The candidate has to secure 50% in each of the practical and theory papers to secure a pass.

Failure to secure the minimum either in the theory or the practical will entail the reappearance only in that paper. Twenty marks out of hundred for the practical paper is reserved for the record.

References :

1. Rayport, Jeffrey F., “Introduction to E-Commerce”, McGraw-Hill Higher
2. Bagby, John W., “E-Commerce Law: Issues for Business”, South-Western Publishers
3. Kou, Weidong (editor); Yesha, Yelena (editor), “Electronic Commerce Technology Trends : Challenges and opportunities”, MC Press, LLC, 2000
4. Zilliox, Danielle, “The Get Started Guide to E-Commerce”.
5. Whiteley, David, “E-Commerce: Strategy, Technologies and Applications”, McGraw-Hill Higher Education.
6. Robert Harris, “ E-Commerce”, Oscar Publications.

IFS 520

MANAGEMENT INFORMATION SYSTEM (Credits-3)

OBJECTIVE

1. Know the concepts of Management information system
2. Learn data base management system
3. Develop information system
4. Familiarize with transaction processing and support processing
5. Study the functional information system

Unit – I

Management Information System – Concept, Need, Strategic role – Evolution of Management Information System – Components of Management Information System – Information flow.

Unit – II

Data base management systems – Objectives and Components – Database design – Creation and Control – Recent Trends in database.

Unit – III

Developing information system – Planning , Designing and Redesigning – Approaches for system development – System analysis and Design – System Implementation and Maintenance.

Unit – IV

Transaction processing and Support system – Transaction processing system – Office automation systems – Decision support systems – Executive information systems – Artificial intelligence and Expert systems.

Unit – V

Functional Information systems – Production, Finance, Human resource and Marketing – Managing information resources – Information Security – Control & Audit of Information Systems.

References:

1. James A O' Brain, 'Management Information Systems', Tata Mc Graw Hill.2003
2. King R William, 'Management Information Systems', Tata Mc Graw Hill.2003
3. Davis, 'Management Information Systems',Mc Graw Hill.2003
4. Wetherbe, Turban, 'Information Technology for Management', John Willey Publishers.2003
5. L.M.Prasad, Usha Prasad, 'Management Information Systems', Sultan chand & Sons.2002
6. D.P.Goyal, 'Management Information Systems- Managerial Perspectives',Mac Millan India Ltd.2003
7. S.Sadagopan, 'Management Information Systems', Prentice Hall .2003
8. Eff Oz, 'Management Information Systems', Vikas Publishing house Pvt. Ltd.2003.
9. Muneesh Kumar, 'Business Information Systems', Vikas Publishing house Pvt. Ltd.2003.

IFS 521 CORPORATE ETHICS AND GOVERNANCE (Credits-3)

OBJECTIVE

1. Know concept of ethics and management
2. Study the law as an instrument of ethics
3. Familiarize with corporate social responsibility
4. Study the environment responsibility

Unit – I

Concept of ethics – sources – ethics and morals – justice – fairness – values – normative ethical theory – relevance of business ethics – arguments for and against – business values for 21st century – ethics in Indian business.

Unit – II

Ethical management – strengthening of personal and organizational integrity – complexity and group dynamics – spiritual core of leadership – leaders the value references.

Unit – III

Does ethics pay – ethical pitfalls of investment industry – corporate scams and its effects – law as an instrument of ethics.

Unit – IV

Corporate social responsibility – meaning – promoting – stakeholders satisfaction – corporate responsiveness – managing socially responsible business.

Unit – V

Environment responsibility – ethics and ecology – advertise and information disclosure – work ethics and professional responsibility.

References:

1. R.C.Sekhar -Ethical Choices in Business-Response Books.
2. Corporate Governance and business Ethics by All India Management Association- Excell Books.
3. Business Ethics by William H. Shaw –Thomson Publications.

OBJECTIVE

1. Introduce Accounting in services
2. Study the bank accounts
3. Know the insurance companies and their accounting
4. Learn the accounting for hotels and restaurants
5. Prepare Accounting for hospitals

Unit – I

Introduction, Basic concepts in accounting, different types of services, types of accounts journal, Ledgers, P&L account, Balance sheet.

Unit – II

Bank accounts- General information relating to bookkeeping, ledger section, register section, slip system of ledger posting, legal requirements affecting final accounts, specimen form of accounting policies, preparation of profit and loss accounts, Asset classification, Income from non performing assets old approach to income from NPA, preparation of Balance sheet.

Unit – III

Insurance Companies- Commercial and legal back ground of insurance business, contract of insurance, Book maintained by insurance companies, Explanation of special terms peculiar to insurance business, Accounts for life insurance business, types of policies, Annuity business, surrender value, paid up policy, life insurance fund valuation balance sheet, preparation of final accounts, Revenue accounts, accounts for general insurance business.

Unit – IV

Accounting for hotels and restaurants – Introduction, disclosure principles, material concept objective concept, depreciation, different methods, business of running a hotel, revenue earning and non revenue earning departments, heads of revenue and heads of expenditure. Working papers, journals, posting, preparation of trial balance, completing working paper, preparation of final statement, adjusting ledger accounts, closing the accounts, preparation of post closing TB (Cash book, petty cash book, purchase book, sales book, returns, accounting ledgers in use ledger accounts, trading accounts, P&L accounts and Balance sheet).

Unit – V

Accounting for hospitals – Introduction, accounting concepts, and disclosure principles. Intellectual property accounting – Introduction, accounting principles, basic accounting practices. Accounting for Stockbrokers and Derivative accounting – Introduction and accounting practices.

Note- The question paper should consist 80% problems and 20% theory questions.

References:

1. R.K.Malhotra, “ Financial Management in Hotels and restaurant Industry”, Anmol Publishers, 1998
2. A.V.Srinivasan, “ Managing a modern hospital,”, Response publishers, Delhi,2000

IFS 523

SERVICES TAXES

(Credits-3)

OBJECTIVE

1. Introduce salient features of service tax
2. Learn the statutory provision relating to service tax
3. Know the service tax returns, service tax credit
4. Know the service tax ready reckoner

Unit – I

Introduction- importance, why service taxes, widening of service tax net. New category of service tax in financial act 2001 and 2002. Importance in terms of revenue yield ,salient features of service tax revenues, legal base and constitutional validity, levy assessment ,administration of service tax, problems perceived by the control &excise department, service tax future and growth.

Unit – II

Commodity and the statutory provision relating to service tax , definition , change of service tax, valuation, payment, registration, furnishing returns, verifications of tax assessed. Best judgment ,rectification of mistakes, interest on delay of paymeny of service tax, penalty for failure of registration, penalty for failure to pay service tax, penalty for failure to furnish prescribed returns, penalty for suppressing value of taxable services, penalty for failure to comply with notice, penalty not to be imposed in certain cases. Offences by companies, power to search premises, revision of order by collector of excise, willful to attempt to evade tax (omitted)

, failure to furnish prescribed return(omitted), false statement in verification (omitted) ,abetment of false returns(omitted),institution of proceedings (omitted)

Unit – III

Service tax returns 1984- definition – appointment of officers, registration, record, payment of service tax, returns, appeals. Service tax credit rules 2002 –short title and commencement, definition, service tax credit, utilization of service tax credit, documents and accounts, recovery of service tax credit.

Unit – IV

Analysis of retrospective amendments made by financial act 2000- introduction (ruling of supreme court case), validation of certain actions taken , commentary , judicial revise of retrospective amendments ,prompt consequential action by the department.

Unit – V

Service tax ready reckoner / procedures (up to 60 entries)

Note- The question paper should consist 40% problems and 60% theory questions.

References:

1. R. Mohan Lavi & D. Varadarajan, Service Tax (Concept, Practice & Procedure), Bharat Law House, New Delhi, 2002.
2. N. Marwah & S.K. Pahwa, Service Tax (Law & Procedure), New Age International, 2003.
3. C. Parthasarathy & Sanjiv Agarwal, Service Tax Law Practice & Procedure, Snow White Pub., 2003.

IFS 524 COMPUTER APPLICATIONS IN BUSINESS (Credits-3)

OBJECTIVE

1. Introduce the bases of computer and its software
2. Learn the MS word, MS excel, MS power point and their presentation
3. Familiarize with internet and its applications
4. Introduce internet and its applications
5. Learn practically various documents

Unit – I

Preliminaries: Business Problems - types - Need for Computer Use - Applications in different functional areas - Financial - Marketing - Personnel - Statistical Techniques for *Business Data* Analysis - Characteristic Measurement - Time Series Data - Sampling Tests - Bivariate Analysis - (DR Techniques).

Unit – II

Utility Package - System Software - over view of operating systems- window O/S- MS word, MS Excel, MS Power point MS Access – Internet explorer.

Unit – III

Computer Applications on Financial Statements - Financial Management - Analysis of Financial *Statements* - Financial Forecasting -Capital Budgeting and Spread Sheet -- Lease Vs Buy analysis -- Capital Structure - Bond Refunding - Option pricing - Bond Valuation.

Unit – IV

Statistical Software - SX - STATGRAPH - RATS - File Management Data Management - Transformations - Editing - Linear models correlation matrices - Multiple Regression - Factor Analysis Hypothesis Testing - Summary statistics - Applications on production rate fluctuations - Hospital Administration - Dispute analysis -- Maintenance - Stock market information analysis Working Capital analysis Trend projections Cyclical fluctuations.

Unit – V

Operations Research Software - LINDO - MANAGER - STORM LP setting - Integer programme - PERT/CPM analysis transportation problems - Simulation and Heuristics Assignment - Goal Programming - Applications in Capital Budgeting - Credit control -- Portfolio Management - Construction Management -- Personnel Schedule -Hospital, Post Office facility Management - Sales force allocation - Brand switching inventory control - Restaurant planning -- Make buy decisions replacement models - Public Transportation - University Administration.

Note:

The practical examination will be conducted by an internal examiner and an external examiner jointly.

The theory paper (3 hours and 100 marks) will be scaled to 50 marks. The practical paper (3 hours and 100 marks) will be scaled to 50 marks. The candidate has to secure 50% in each of the practical and theory papers to secure a pass.

Failure to secure the minimum either in the theory or the practical will entail the reappearance only in that paper. Twenty marks out of hundred for the practical paper is reserved for the record.

References :

1. Eliason, Alan L., “Business Computer Systems and Applications”, Science Research Associates, Chicago.
2. Blanc, Iris, “Computer Applications for Business”, Dictation Disc Company publishers.
3. Prajagopalan, S. P., “Computer Applications in Business”, Vikas Publishing
4. House Private, Limited
5. Batchelor, Andrew J., “ Computer Applications for Business Planning: A
6. Practical Hands-On Text”, Tangent Publishing.
7. Weatherwax, “Business Analysis with Computer Applications”, South-Western Thomson Learning, 1991.
8. Eliason, Alan L., “Business Computer Systems and Applications”, Chicago
9. Science Research Associates
10. Affif and Clark, “Computer aided multivariate analysis”, Lifetime Learning Publications, California.

IFS 525 INVESTMENT MANAGEMENT (Credits –3)

OBJECTIVE

1. Know the nature and scope of investment management
2. Understand the investment environment
3. Analyze the company’s risk components
4. Learn the portfolio management
5. Study the capital market theory

Unit – I

Nature and scope of investment management – investment objectives, constraints – factors – investment process – investment management and portfolio management - factors for investment analysis - impact of economic analysis - impact of industrial analysis role of capital markets.

Unit – II

Understanding the investment environment - sources of investment information - approaches of security analysis - market indicators - security price movements -fundamental analysis - technical-analysis - Dow theory - Random walk theory - efficient market hypothesis - various forms of market efficiency and their implications to security analysis-technical analysis Vs. efficient markets hypothesis - common stock analysis - economic analysis - economic indicators - industry analysis.

Unit – III

Company analysis components - non financial aspects - financial analysis - financial statement - analysis of prospectus - ratio analysis - EPS, UPS dividend yield - payment ratio - ROI, ROCI<Risk return - market risk - interest rate risk - purchasing power risk - business risk - financial risk - measurement of risk.

Unit – IV

Portfolio - portfolio management - portfolio theory - meaning and objectives, traditional and modern portfolio theory. Diversification - Markowitz's approach - portfolio management process-portfolio planning-portfolio analysis-portfolio selection -portfolio evaluation -portfolio revision- various steps involved in the development of portfolio.

Unit – V

Capital market theory - assumptions - risk, investors preference - capital asset pricing model (CAPM) - estimating Betas - significance of betas in portfolio theory - securities market line arbitrage pricing theory-options pricing model-put and call - valuation of various options - futures trading - hedging and forward contracts - Indian stock market and the institutional investors.

Note- The question paper should consist 40% problems and 60% theory questions.

References:

- 1 Fisher & Jordan, Security Analysis & Portfolio Management, Prentice Hall of India, 1999..
- 2 Elton, Edwin J & Gruber Martin J, Modern Portfolio Theory & Investment Analysis, Wiley & Sons, 1999.
- 3 Sidney Cottle, Graham & Dodd's Security Analysis, Tata Mcgraw Hill, 1989.
- 4 J C Francis and S H Arclean, Portfolio Analysis, Prentice Hall of India.
- 5 Frank J.Fabozzi, "Investment management", PHI, 1999
- 6 Robert A.Hangen, " Modern Investment theory", PHI,2002
- 7 V.K.Bhalla. "Investment Management",sultan Chand, 2000.

OBJECTIVE

1. Learn the theories of foreign exchange behaviour
2. Provide an introduction to futures and an overview of financial future markets
3. Learn about swaps, its features and uses
4. Analyze the different types of exchange rate risks

Unit – I

The main theories which seek to explain exchange rate behaviour. Forecasting exchange rate movements. Different exchange rate arrangements and government intervention.

Unit – II

Financial Fragility and Systemic Risk The main causes of financial. fragility and systemic risk. Financial sector adjustments in response to financial booms and busts since 1980.

Unit – III

Introduction to Futures An overview of financial futures markets, including the types of contracts available, futures terminology and concepts, and futures pricing and behaviour, cost of carry and expectations approach. Uses of futures for hedging, arbitrage and speculation will be illustrated with stock index futures.

Unit – IV

Swaps Development of the swaps market. Characteristics and uses of swap products, interest rate and currency swaps. Legal and regulatory issues.

Unit – V

Exchange rate Risk and Political Risk Identification of the different types of exchange rate risk; transaction exposure, translation exposure and economic exposure, together with an analysis of political risk. Managing Foreign Exchange Rate Risk Strategies for managing foreign exchange rate risk and the instruments available; currency forwards, futures, options and swaps. Short-term Interest Rate Risk Management.

Note- The question paper should consist 40% problems and 60% theory questions.

References

1. Luc Soenen, "Foreign Exchange Management", McGraw-Hill Primis Custom Publishing.
2. Siegel Michael H., "Foreign exchange risk and direct foreign investment", UMI Research Press c, 1983.
3. Robert J. Hodrick, "The Empirical Evidence on the Efficiency of Forward and Futures Foreign Exchange Markets", Gordon & Breach Publishing Group.
4. Loosigian, Allan, "Foreign Exchange Futures: A Guide to International Currency", Scholarly Books, USA
5. Klopfenstein, Gary, "Strategic Trading in the Foreign Exchange Markets: Insights from Foreign Exchange Traders Worldwide", AMACOM.
6. Fatemi, Khosrow, "Foreign Exchange Issues, Capital Markets and International Banking in the 1990's", Taylor & Francis Publishers.
7. Walton, L. E., "Foreign Trade And Foreign Exchange", Macdonald & Evans. London.
8. Daigler, R.T., "Managing Risk With Financial futures", 1993.
9. C.Jeevanandam, "Foreign exchange, Concepts, practices & control", Sultan Chand & sons, 2003

IFS 527

FINANCIAL MARKETS

(Credits-3)

OBJECTIVE

1. Learn about the Indian financial System
2. Understand the capital market, its characteristics and structure
3. To gain insight into derivative markets
4. Analysis the operations of money markets and learn the recent trends in money market

Unit – I

Indian financial system – characteristics – structure – financial markets – importance – role in economic development – financial sector reforms – Narasimhan Committee report - SEBI Regulation over financial markets – Functions and powers of SEBI.

Unit – II

Capital Market: Characteristics – structure – players. Primary market and secondary market – stock exchanges – Listing of Securities – Trading system in stock exchange NSE, BSE, ISE, OTC – share brokers – categories – other intermediaries – Regulation of stock exchanges – stock market efficiency – investor protection. Primary Market – Characteristics – Players – recent trends in capital market.

Unit – III

Derivative Markets – Types of contracts – trading system – regulation of Derivative markets – Derivative in India – Recent trends.

Unit – IV

Government securities market: Types of instruments traded – characteristics of Government securities market – Recent Trends.

Unit – V

Money Market: Characteristics – structure – instruments traded – players in the market – trading system. Recent trends in Money Market, Forex markets – structures – instruments – types of contracts, characteristics – trends.

References:

1. L. M. Bhole, Financial Institutions and Markets, Tata Mcgraw Hill, 2002.
2. V.A.Avadhani, Capital Market in India, Himalaya, 2000
3. Fabozzi, Foundations of Financial Markets and Institutions, 3rd Pearson Education, New Delhi, 2002
4. H.R.Machiraju, “Financial Markets in India”, New Age International , 2003.
5. Madura, “Financial Markets and Institutions”, 5th Edn, Taxmann Students Publications, 2002.
6. G. S. Patel, Capital Market Functioning and Trends, ICFAI, Hyderabad, Lt. Edition
7. SEBI Guidelines 1992

IFS 528 CUSTOMER RELATIONSHIP MANAGEMENT (Credits-3)

OBJECTIVE

1. Understands CRM, its measurement methods and indices
2. Know the statistical analysis of customer survey
3. Comprehend relationship in marketing
4. Know the technology revolution, CR management and the changing corporate culture

Unit – I

Customer Relationship Management - Management requires Measurement - Qualitative Measurement Methods - Quantitative Measurement Methods - Calculating Relationship Indices.

Unit – II

Customer Relationship Survey Design - Statistical Analysis of Customer Surveys - Using Customer Relationship Survey Results

Unit – III

Relationships in Marketing - Relationship Concepts - Relationship Drivers - Lasting Relationships

Unit – IV

Customer Partnerships - Internal Partnerships - Supplier Partnerships - external Partnerships

Unit –V

The Technological Revolution - Relationship Management - Changing Corporate Cultures

References :

1. John Egan, “Relationship Marketing, Exploring Relational Strategies In Marketing”, Prentice Hall.
2. John Anton, “Customer Relationship Management”, Prentice Hall.
3. Jagdish N Sheth and Atul Parvatiyar, “Handbook of Relationship Marketing”, Response Books, 2002.
4. Anderson, “Customer Relationship management”, Tata McGraw Hill, 2002.
5. David Strutton; Lou E. Pelton; James R. Lumpkin, “Marketing Channels: A Relationship Management Approach”, McGraw-Hill Higher Education.
6. Zineldin, Mosad, “Strategic Relationship Management: A Multi-Dimensional Perspective: Towards a New Co-Opetive Framework on Managing, Marketing and Organizing”, Coronet Books Pub.
7. McKenna, Regis, “Relationship Marketing: Successful Strategies for the Age of the Customer”, Addison-Wesley Longman, 1991.
8. Christopher, Martin, “Relationship Marketing”, Science & Technology Books.

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