

JAI HIND COLLEGE AUTONOMOUS



Syllabus for S.Y.BBI

Course : Banking Insurance

Semester : III

Credit Based Semester & Grading System

With effect from Academic Year 2018-19

List of Courses

Course: Banking Insurance

Semester: III

SR. NO.	COURSE CODE	COURSE TITLE	NO. OF LECTURES / WEEK	NO. OF CREDITS
SY				
15	CBBI301	MUTUAL FUND MANAGEMENT	4	3
16	CBBI302	FINANCIAL MARKETS	4	3
17	CBBI303	IT IN BANKING & INSURANCE - I	4	3
18	CBBI304	DIRECT TAXATION	4	3
19	CBBI305	FINANCIAL MANAGEMENT	4	3
20	CBBI306	AN OVERVIEW OF BANKING SECTOR	3	2
21	CBBI307	MANAGEMENT ACCOUNTING	4	3

SEMESTER III

Course Code CBBI301	MUTUAL FUND MANAGEMENT	03 Credits
	THEORY	60 lectures
Sub Unit	Unit – I: Introduction to Mutual Fund	15 lectures
1.	History & Origin, Definition, Meaning, Characteristics, Advantages, Disadvantages, Limitations of Mutual Funds, Ethics in Mutual Fund. Entities involved – Sponsor, Trust, Trustee, Asset Management Company, Registrar and Transfer Agent (RTA) and Fund Houses in India.	
2.	Legal Framework - Role of regulatory agencies for Mutual funds – SEBI, RBI, AMFI, Ministry of Finance, SRO, Company Law Board, Department of Company’s affairs, Registrar of Companies.	
3.	MF guidelines on advertisement , Accounting , Taxation and Valuation norms, Guidelines to purchase Mutual Funds, Investor protection and MF regulations, Grievance mechanism in MF in India.	
	Unit – II: Classification of Mutual Fund	15 lectures
1.	<ul style="list-style-type: none"> ➤ Types of Mutual Fund- (introduction and Characteristics) • Functional/Operational – Open ended, close ended, Interval • Portfolio – Income, Growth, Balanced, MMMF • Geographical/ Location – Domestic, Offshore • Miscellaneous - Tax Saving Funds, Exchange Traded Funds, Balance Funds, Fixed Term Plan, Debt Funds, Systematic Investment Planning & Systematic Transfer Plan • Multi cap fund • Midcap fund • Sector fund and thematic fund 	

2.	Portfolio Maturity, Calculations of NAV, Entry Load, Exit Load , holding period return.	
	Unit – III: Fund Selection Criteria	15 lectures
1.	Fund Rating and Ranking – Its need and importance. Basis of Ratings, Interpretation of Funding Rating by CRISIL, CARE and ICRA, Selection Criteria – (Size, Stability, Credit Portfolio, Performance)Performance Measurement – Rolling Returns and Benchmarking	
2.	Yield To Maturity and Bond Valuation	
	Unit – IV: Financial Planning in Mutual fund	15 lectures
1.	Basics of Financial Planning – Financial Planning Steps, LifeCycle, Wealth Cycle, Risk Profiling, Asset Allocation, Contingency Funds.	
2.	Investors Guide Towards Financial Planning – Eligibility for investment in MF, KYC (Individuals, Micro SIPs, Institutional Investors, Fund Category Guidance) (Long Bond Funds, Short Bond Funds, Ultra Short Bond Funds) , Need for Financial Advisor, Difference between Advisor and Distributor, Colour Coding MF products, Bank FD’s V/s Mutual Funds, Dividend V/s Growth Option	
3.	Developing Model Portfolio for Investors – Model Portfolios meaning, Step by Step Approach of Building Model Portfolio	
ICA (Internal Continuous Assessment)	Written test – 20 marks Case based presentation – 20 marks	

Course Code CBBI302	FINANCIAL MARKETS	03 Credits
	THEORY	60 lectures
Sub Unit	Unit – I: Indian Financial System	15 lectures
1.	Introduction, Meaning, Functions of financial system, Indian financial system from financial neutrality to financial activism and from financial volatility to financial stability, Role of Government in financial development, Overview of Phases of Indian financial system since independence (State Domination – 1947-1990, Financial sector reforms 1991 till Financial Sector Legislative Reforms Commission 2013), Monitoring framework for financial conglomerates	
	Unit – II: Financial Markets in India	15 lectures
1.	<p>A) Indian Money Market – Meaning, Features, Functions, Importance, Defects, Participants, Components of Organized and Unorganized markets and Reforms</p> <p>B) Indian Capital Market - Meaning, Features, Functions, Importance, Participants, Instruments, Reforms in Primary and Secondary Market.</p> <p>C) Indian Stock Market - Meaning and functions of Stock Exchange- NSE and BSE.</p>	
2.	<p>A) Equity Market – Primary Market, IPO, Book Building, Role of Merchant Bankers, ASBA , Green Shoe Option, Issue of Bonus shares, Right Shares, Sweat Equity shares, ESOP.</p> <p>B) Indian Debt Market –Market Instruments, Listing, Primary and Secondary Segments</p>	
	Unit – III: Commodity Market	15 lectures
1.	A. Introduction to commodities market - Meaning History & origin, Types of commodities traded.	

	B. Structure of commodities market in India.	
2.	A. Participants in commodities market, Trading in commodities in India(cash & derivative segment)	
3.	A. Commodity exchanges in India & abroad B. Reasons for investing in commodities	
	Unit – IV: Derivatives Market	15 lectures
1.	A. Introduction to Derivatives market - Meaning, History & origin B. Elements of a derivative contract	
2.	A. Factors driving growth of derivatives market B. Types of derivatives, Types of underlying assets, Participants in derivatives market, Advantages & disadvantages of trading in derivatives market	
3.	A. Current volumes of derivative trade in India B. Difference between Forwards & Futures	
ICA (Internal Continuous Assessment)	WRITTEN TEST – 20 MARKS CASE BASED PRESENTATION – 20 MARKS .	

Course Code CBBI303	INFORMATION TECHNOLOGY IN BANKING & INSURANCE - I	03 Credits
	THEORY	60 lectures
Sub Unit	Unit – I: Introduction to Electronic Commerce	15 lectures
1.	E-Commerce Framework, E-Commerce and media convergence, anatomy of E-Commerce Applications,	
2.	Types of Ecommerce, Advantages and Disadvantages, Models based on revenue models, Protocols (Hypertext Transfer Protocol, Simple Mail Transfer Protocol	
3.	E-Commerce Consumer and Organization Applications, , Secure Sockets Layer, TCP,IP), Encryption & Decryption & Types of Encryptions, Digital Signature	
	Unit – II: Networking	15 lectures
1.	Data Communication, Components, Introduction and types Network (LAN , MAN, WAN), Network Topologies (Star, Bus, Ring, Tree, Mesh, Wireless mesh, Network Structure, Network Media, Satellite Communication, Network hardware	
	Unit – III: MS-Office: Packages for Institutional Automation	15 lectures
1.	Ms-Word: Usage of Tables, smart art tools, Chart, Header Footer bookmark, hyperlink, mail merge, Macros, Page layout, utility and converting word as PDF files.	
2.	Ms-Excel: Manipulating data, Working with charts, Using formulas and logical operators, Creating and using name ranges, Creating Formulas that uses reference to cells in different worksheets.	
3.	Power Point: Create Slides, Insert Image, Shapes, Smart Art, Chart, Animation, Page Designing, Slide Transition, View Page, Print Review and Set-up	

	Unit – IV: Web Designing	15 lectures
1.	Introduction to the Web. Introduction to HTML.	
2.	Formatting Text Using Tags. Images, List. Creating Hyperlinks & Types and Anchors.	
3.	Tables, Complex Tables, Frames. Videos, Audios Forms.	
ICA (Internal Continuous Assessment)	PRACTICALS – 40 MARKS	

Course Code CBBI304	DIRECT TAXATION	03 Credits
	THEORY	60 lectures
Sub Unit	Unit – I: Definitions and Residential Status	15 lectures
1.	Basic Terms (S. 2,3,4) Assesse, Assessment, Assessment Year, Annual Value, Business, Capital Assets, Income, Previous Year, Person, Transfer.	
2.	Determination of Residential Status of Individual, Scope of Total Income (S.5)	
	Unit – II: Heads of Income - I	15 lectures
1.	Salary (S.15-17)	
2.	Income from House Property(S. 22-27)	
3.	Profit & Gain from Business and Profession(S. 28, 30,31,32, 35, 35D,36,37, 40, 40A and 43B)	
	Unit – III: Heads of Income - II	15 lectures
1.	Capital Gain (S. 45, 48, 49, 50 and 54)	
2.	Income from other sources (S.56- 59)	
3.	Exclusions from Total Income (S.10) (Exclusions related to specified heads to be covered with relevant heads of income)	
	Unit – IV: Computation of Total Income & Taxable Income	15 lectures
1.	Deductions from Total Income S. 80C, 80CCC, 80D, 80DD, 80E, 80U, 80TTA	
2.	Computation of Taxable Income of Individuals	
ICA (Internal Continuous Assessment)	WRITTEN TEST – 20 MARKS WRITTEN TEST – 20 MARKS .	

Course Code CBBI305	FINANCIAL MANAGEMENT - I	03 Credits
	THEORY	60 lectures
Sub Unit	Unit – I: Introduction to Finance and Financial Management	15 lectures
1.	<p>Introduction to Finance:</p> <ul style="list-style-type: none"> • Meaning and definition of finance • Importance finance • Types of Finance: Public and Private • Sources of finance <p>1.Long Term Sources : Term Loans, Debentures, Bonds, Zero Coupon bonds, Convertible Bonds, Equity shares, Preference shares, CD, CP, Public Deposits</p> <p>2.Short Term sources: Bank Finance, Trade Credit ,Other Short Term Sources</p> <p>3.Venture Capital and Hybrid Financing</p>	
2.	<p>Financial Management</p> <ul style="list-style-type: none"> • Meaning and Importance of Financial Management • Scope of Financial Management • Functions and Objectives of Financial Management • Primary Objective of Corporate Management • Agency Problem • Organization of Finance Function • Emerging role of Finance Managers in India. 	
3.	<p>Objectives of the Firm</p> <ul style="list-style-type: none"> • Profit Maximization and Shareholders Wealth Maximization, • Profit V/s Value Maximization 	
	Unit – II: Financial Goal Setting & Time value of Money	15 lectures
1.	<p>Financial Goal Setting</p> <ul style="list-style-type: none"> • Introduction • Financial Forecasting – Meaning, Techniques, Benefits • Approaches to Financial Planning • Economic Value Added (EVA)– Measurement & Components • Free Cash Flow (FCF) 	
2.	<p>Time Value of Money</p> <ul style="list-style-type: none"> • Concept • Present Value • Annuity 	

	<ul style="list-style-type: none"> • Techniques of Discounting • Techniques of Compounding 	
	Unit – III: Investment Decisions: Capital Budgeting	15 lectures
1.	Capital Budgeting <ul style="list-style-type: none"> • Nature of Capital Budgeting • Purpose of Capital Budgeting • Capital Budgeting Process • Types of Capital Investment • Basic Principle of Measuring Project Cash Flows • Increment Principle, Long Term Funds Principle, Exclusion of Financial Cost Principle, Post Tax Principle • Probability technique for measurement of cash flow • Capital Budgeting Techniques: Net Present Value Profitability Index and Discounted Pay Back Method. • A Comparison; Project Selection Under Capital Rationing (Note: Problems on computation of cash flow, ranking of projects on various techniques, selection and analysis with / without capital rationing) 	
	Unit – IV: Financial Decisions	15 lectures
1.	Cost of Capital : <ul style="list-style-type: none"> • Introduction and Definition of Cost of Capital • Measurement of Cost of Capital • Measurement of WACC using book value and market value method. • Measuring Marginal Cost of Capital 	
2.	Capital Structure Decisions: <ul style="list-style-type: none"> • Meaning and Choice of Capital Structure • Importance of Optimal Capital Structure • EBIT -EPS Analysis • Capital Structure Theories • Dividend Policies (Walter & Gordon) 	
ICA (Internal Continuous Assessment)	<p style="text-align: center;">WRITTEN TEST – 20 MARKS WRITTEN TEST-20 MARKS</p>	

Course Code CBBI306	Foundation Course – III (AN OVERVIEW OF BANKING SECTOR)	02Credits
	THEORY	60 lectures
Sub Unit	Unit – I: An Overview of Banking Industry	15 lectures
1.	<ul style="list-style-type: none"> • Definition of Banks, Types of Banks, Principles of Banking • Banking System in India, Overview of RBI, Public, Private, Co-operative, Payment Bank, Regional Rural Banks • Emerging trends of banking - Universal banking, electronic banking, globalization of banking. • Brief history of banking sector reforms from 1991-2000 and Current developments in banking sector • Regulatory Architecture – Overview of Banking Regulation Act 1949, Banking Regulation Act(Amendment 2015), Payment and Settlement Act 2007, Negotiable Instrument Act 1881, BIS, Basel I, II and III. • Bank Crises in India • Critical Evaluation of Banking Industry in India 	
	Unit – II: Commercial Banking and Customer – Banker Relationship	15 lectures
1.	<ul style="list-style-type: none"> • Definition and meaning of Commercial Bank, Evolution of Commercial Banking in India, Functions of Commercial Bank , Services offered by Commercial Bank , Retail Banking – Meaning, Features, Significance of Retail Banking and Overview of its products • Corporate Banking -Meaning, Features, Significance of Corporate Banking and Overview of its products • Rural Banking - Meaning, Features, Significance of Rural Banking and Overview of its products • Banking Ombudsman – Meaning and Functions 	
	Unit – III: Universal Banking & Technology in Banking sector	15 lectures
1.	<p>A) Universal Banking</p> <ul style="list-style-type: none"> • Concept of Universal Banking, Evolution of Universal banking ,Services to Government, Payment & Settlement, Merchant Banking, Mutual Fund, Depository Services, WealthManagement, Portfolio Management Bank assurance, NRI Remittance. 	
2.	<p>B) Technology in Banking</p> <ul style="list-style-type: none"> • Features, norms and Limitations of E- banking, Mobile 	

	<p>Banking, Internet Banking, RTGS, POS Terminal, NEFT, IMPS, Brown Label ATM's, White Label ATM's, NUUP, AEPS, APBS, CBS, CTS, Digital Signature , M- Wallets , Online opening of bank accounts – savings & current, and application for credit cards, loan.</p> <ul style="list-style-type: none"> • Applicability of KYC norms in Banking Sector. 	
	Unit – IV: Microfinance & Financial Inclusion	15 lectures
1.	<p>A) Microfinance</p> <ul style="list-style-type: none"> • Introduction, Need and Code of Conduct for Microfinance Institutions in India, • Advantages, Purpose, Limitations and Models of SHG – Bank Linkage Program. • Role of NABARD and SIDBI, • Portfolio Securitization, • SHG-2, NRLM and SRLM , • Priority Sector and its Classification 	
2.	<p>B) Financial Inclusion</p> <ul style="list-style-type: none"> • Need & Extent • RBI Committee Report of Medium Term Path on Financial Inclusion 2015, World FindexReport 2015, NISM Report 2015, (Only Brief Extracts relating to bank account holdings and credit taken and contrast between developing and developed nations.) • Features & Procedures of Pradhan Mantri Jan Dhan Yojana, and PM Mudra Yojana. • Features, procedures and significance of Stand up India Scheme for Green Field 	
ICA (Internal Continuous Assessment)	<p>WRITTEN TEST-20 MARKS CASE BASED PRESENTATION – 20 MARKS</p>	

Course Code CBBI307	MANAGEMENT ACCOUNTING	03 Credits
	THEORY	60 lectures
Sub Unit	Unit – I: Introduction to Management Accounting	15 lectures
1.	Meaning and Definition, Scope, Functions, Objectives, Importance, Role of Management Accounting, Management Accounting Framework, Tools of Management Accounting.	
	Unit – II: Financial Statement analysis	15 lectures
1.	Introduction to Corporate Financial Statements : Understanding the Balance sheet and Revenue statements with the headings and sub headings, Uses of financial statements, Users of Financial Statements.	
2.	<p>A.</p> <p>Financial Statement Analysis : Introduction and Meaning of Financial Statement Analysis, Steps, Objective, Types of Analysis.</p> <ul style="list-style-type: none"> • Ratio analysis: Meaning, classification, Du Point Chart, advantages & limitations. • Balance Sheet Ratios: Current Ratio, Liquid Ratio, Stock Working Capital Ratio, Proprietary Ratio, Debt Equity Ratio, Capital Gearing Ratio. <p>B. Revenue Statement Ratios: Gross Profit Ratio, Expenses Ratio , Operating Ratio, Net Profit Ratio , Net Operating Profit Ratio , Stock Turnover Ratio, Combined Ratio, Return on Capital employed (Including Long Term Borrowings), Return on proprietor’s Fund (Shareholders Fund and Preference Capital , Return on Equity Capital, Dividend Payout Ratio, Debt Service Ratio, Debtors Turnover, Creditors Turnover.</p>	
	Unit – III: Working Capital Management	15 lectures
1.	Concept, Nature of Working Capital, Planning of Working Capital, Estimation/Projection of Working Capital Requirements in case of Trading and Manufacturing Organization Operating Cycle.	
	Unit – IV: Management of Profits/Dividend Policy	15 lectures
1.	Meaning, Types, Factors influencing dividend policy, Forms of dividend. Determinants of Dividends Policy: Factors; Dividend Policy in India; Bonus Shares (Stock dividend) and Stock (Share) Splits; Legal, Procedural; and Tax Aspects associated with Divi-	

	dend Decision.	
ICA (Internal Continuous Assessment)	WRITTEN TEST 20 Marks WRITTEN TEST 20 Marks	