



**JAI HIND COLLEGE**

**BASANTSING INSTITUTE OF SCIENCE  
&  
J.T.LALVANI COLLEGE OF COMMERCE  
(AUTONOMOUS)  
"A" Road, Churchgate, Mumbai - 400 020, India.**

**Affiliated to  
University of Mumbai**

**Program: B. Com  
Proposed Course: Financial Market  
Semester VI**

**Credit Based Semester and Grading System (CBGS) with effect  
from the academic year 2020-21**

***B.Com Financial Markets Syllabus***

**Academic year 2020-2021**

<b>Semester VI</b>				
<b>Course Code</b>		<b>Course Title</b>	<b>Credits</b>	<b>Lectures /Week</b>
CBFM601	Core Course	Equity Investment	06	08
CBFM602	Core Course	Behavioural Finance	06	08
CBFM603	Core Course	Corporate Accounting III	06	08
CBFM604	Compulsory Course	Enterprise Risk Management	04	06
CBFM605	Compulsory Course	Strategic Management	04	06
CBFM606	Applied Course	Project Work	06	04

<b>Course Code CBFM601</b>	<b>Equity Investments (Credits : 06 Lectures/Week : 08)</b>	
	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>➤ To nurture and enhance the knowledge of students to various aspects of Stock markets</li> <li>➤ To get a closer and wider picture of the dealing of the stock market.</li> </ul> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>➤ It would help students gain knowledge about the activities and working of the Stock market.</li> </ul>	
	<b>THEORY</b>	
<b>Sub Unit</b>	<b>Unit – I: Management of Stock Exchanges in India</b>	<b>15 lectures</b>
	Evolution, Securities regulation and contract Act-1956– Regulation and Supervision – Role of SEBI – Membership, Listing, Types of Exchanges – National, Regional, Local. Social Responsibility of Exchanges Corporate Governance and Stock Exchange Management.	
<b>Sub Unit</b>	<b>Unit – II: Exchange and Risk Mechanism</b>	<b>20 lectures</b>
	Exchanges and Financial Assets traded on the Exchanges- Shares, Debentures, Bonds, Derivatives, ETF, Memberships- Types, Registration and their criteria Risk Mechanism- meaning, need, types of risk, benefits, tools to manage risk, (VAR), Margins, SPAN, Positional Limits etc.	
<b>Sub Unit</b>	<b>Unit – III: Stock market Indicators</b>	<b>20lectures</b>
	Stock Market indicators, Board market Indices, working and calculation, Re-balancing, Index Governance, and Index Calculation. Factors affecting Stock market Movements, Interest rates and Stock Market, FII Flow, trend analysis, factors influencing FII flow, SEBI regulation towards FII	
<b>Sub Unit</b>	<b>Unit – IV: Innovative trends</b>	<b>20 lectures</b>
	Merchant Banks, meaning, functions, roles, categorization, rules and guidelines	

	Hedge funds-meaning, role, functions, activities, Registration. Alternative Investment Funds- Need and functions, Objectives, Working and guidelines. Newer Segments- Interest Rate Futures, Currency Futures	
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## **Evaluation Scheme**

### **I. Continuous Assessment ( C.A.) - 40 Marks**

Test / projects / Assignment

### **II. Semester End Examination ( SEE)- 60 Marks**



<b>Course Code</b> <b>CBFM602</b>	<b>Behavioral Finance</b> <b>(Credits : 04 Lectures/Week : 06)</b>	
	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>➤ To develop students' understanding about Investor Psychology behind Investment and Financial Decision Making.</li> <li>➤ To understand the Market behaviors to better manage the Client Portfolio.</li> </ul> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>➤ This would help students get theoretical as well as practical aspects of Market Behavior and Investment Decision Making.</li> </ul>	
	<b>THEORY</b>	
<b>Sub Unit</b>	<b>Unit – I: Traditional Finance v/s Behavioral Finance</b>	<b>15 lectures</b>
	Introduction to Behavioral Finance, Traditional Finance, Scope and Implications. Traditional Finance v/s Behavioral Finance	
	Efficient Market Theory, Forms and Challenges	
	Rational Economic Actors and Satisfice,	
	Utility Theory, Prospect Theory, Contrasting Theory	
	Consumption and Saving Model	
	BAPM- Behavioral Asset Pricing Model & AMH- Adaptive Market Hypothesis	
<b>Sub Unit</b>	<b>Unit – II: The behavioral biases of Individuals</b>	<b>15 lectures</b>
	-Cognitive Errors v/s Emotional Biases,	
	-Different types of Biases, Implication of Biases on Investment Policy and Asset Allocation -Goal Based Investment (GBI), -Behaviorally modified Asset Allocation	
<b>Sub Unit</b>	<b>Unit -III: Behavioral Finance &amp; Investment Process</b>	<b>15 lectures</b>
	-Investor Classification, -Behavioral Models, -Behavioral Investor Types, -Limitations on Classification of Investors	
<b>Sub Unit</b>	<b>UNIT- IV: Investors and their Portfolios</b>	<b>15 lectures</b>

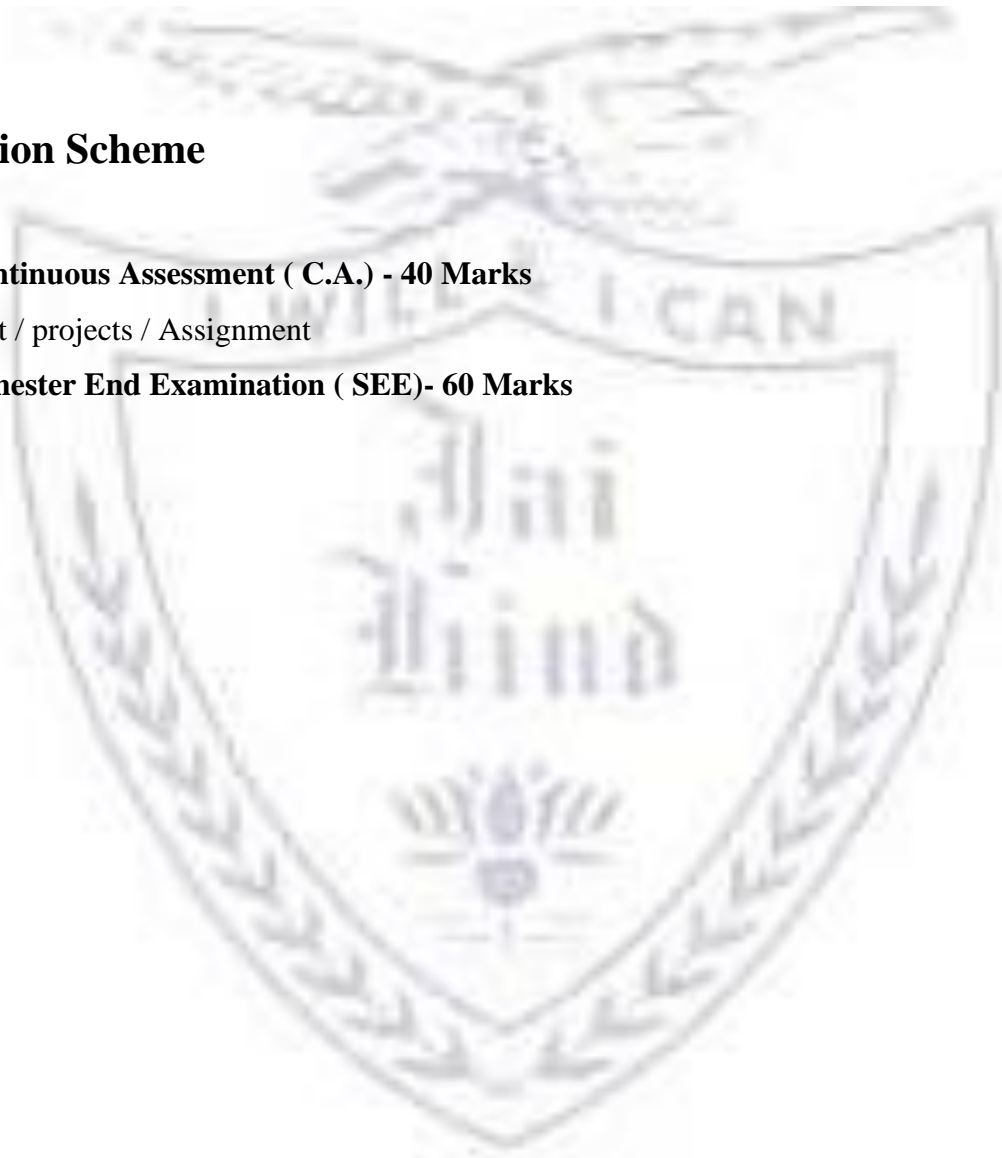
	<ul style="list-style-type: none"> <li>-Behavioral Factor and Portfolio Construction</li> <li>-Behavioral Portfolio v/s Mean Variance Portfolio</li> <li>-Behavioral Finance and Market Behavior</li> <li>-Momentum Effects on the portfolio</li> <li>-Financial Bubbles &amp; Crashes</li> <li>-Value v/s Growth</li> </ul>	

## Evaluation Scheme

### III. Continuous Assessment ( C.A.) - 40 Marks

Test / projects / Assignment

### IV. Semester End Examination ( SEE)- 60 Marks



<b>Course Code</b> CBFM603	<b>Corporate Accounting III</b> (Credits: 06 Lectures/Week: 08)	
	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>➤ To nurture and enhance the knowledge of students toward Corporate Accounting</li> <li>➤ To get a closer and wider picture of how goodwill is valued, IFRS &amp; how India is adapting it.</li> </ul> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>➤ It would help students gain knowledge about the activities and working of the Stock market.</li> </ul>	
	<b>THEORY</b>	
<b>Sub Unit</b>	<b>Unit – I: Valuation of Goodwill and Shares</b>	<b>15 lectures</b>
	Valuation of Goodwill Maintainable Profit method, Super Profit Method Capitalization method, Annuity Method Valuation of Shares Intrinsic Value Method, Yield method and Fair Value Method	
<b>Sub Unit</b>	<b>Unit – II: Final Accounts of Banking Company</b>	<b>20 lectures</b>
	<p>Legal Provisions in Banking Regulation Act, 1949 relating to Accounts.</p> <p>Statutory Reserves including Cash Reserve and Statutory Liquidity Ratio.</p> <p>Bills Purchase and Discounted, Rebate on Bill Discounted.</p> <p>Final Accounts in Prescribed Form.</p> <p>Non – performing Assets and Income from Non – performing Assets.</p> <p>Classification of Advances: Standard, Sub – standard, Doubtful and Provisioning Requirement.</p>	
<b>Sub Unit</b>	<b>Unit – III: Introduction to IFRS</b>	<b>20 lectures</b>
	<b>IFRS 1-</b> First Time Adoption of International Financial Reporting Standards Objective, Scope, Definitions, First IFRS Financial Statements, Recognition and Measurement, Comparative Information, Explanation of Transition to IFRS, Reconciliations, In-	

	<p>terim Financial Reports, Designation of Financial Assets or Financial Liabilities, Use of Fair Value as Deemed Cost, Use of Deemed Cost.</p> <p><b>IFRS 2-</b> Share Based Payment – Objective, Scope, Definitions, Recognition, Equity Settled Share Based Payment Transactions, Transactions in Which Services are Received, Treatment of Vesting Conditions, Expected Vesting Period, Determining the Fair Value of Equity Instruments granted, Modifications of terms and conditions, Cancellation, Cash Settled Share Based Payment Transactions.</p> <p>IFRS 3-Business Combinations – Objective, scope, Definitions, Identifying a business combination, Business acquisition methods, Additional guidance for applying the acquisition method, Measurement period, Subsequent measurement and accounting.</p>	
<b>Sub Unit</b>	<b>Unit – IV: Accounting of Transactions of Foreign Currency</b>	<b>20 lectures</b>
	<p>In relation to purchase and sale of goods, services and assets Loan and credit transactions. Computation and treatment of exchange rate differences</p>	

## Evaluation Scheme

### V. Continuous Assessment ( C.A.) - 40 Marks

Test / projects / Assignment

### VI. Semester End Examination ( SEE)- 60 Marks



<b>Course Code CBFM604</b>	<b>Enterprise Risk Management (Credits : 04 Lectures/Week : 06)</b>	
	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>➤ To nurture and enhance the knowledge of students to various risk management techniques and strategies.</li> <li>➤ To Recognize the origins and key concepts relating to risk management</li> </ul> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>➤ It would help students in proper analysis and interpretation of various risks and techniques to manage such risks.</li> </ul>	
	<b>THEORY</b>	
<b>Sub Unit</b>	<b>Unit – I: Introduction to Risk Management</b>	<b>8 lectures</b>
	The Concept of Risk, Identification of Risk faced by Organization-Types of risks, Risk and Uncertainty, Strategic and Operational Risks, Dynamic Nature of Risks, Objectives of Risks Management, Process of Risk Management, Impact of risk on organizations	
<b>Sub Unit</b>	<b>Unit – II: Evaluation of Risk</b>	<b>20lectures</b>
	<p>Evaluation of Organization’s ability to bear them, Risk Measurement, Sources and Impact of Common Business Risk, Market, Credit , Liquidity, Technological, Legal, Environmental, Reputation, Country Risk.</p> <p>Identify and assess the impact upon the stakeholder involved in Business Risk, Nature and Importance of Financial Risk, Evaluation of Financial Risk and techniques adopted to control the Financial Risk, Evaluation of Alternative Risk Management Tools, Role of Risk Manager and Risk Committee in identifying and managing risk.</p>	
<b>Sub Unit</b>	<b>Unit – III: Risk response and risk treatment</b>	<b>12 lectures</b>
	Introduction to risk treatment and risk response, The 4Ts-tolerate, treat, transfer and terminate, Risk control techniques (PCDD)- preventive, corrective, directive and detective, Insurance and risk transfer, Risk architecture, strategy and protocols, Risk management documentation and responsibilities.	

<b>Sub Unit</b>	<b>Unit – IV: Risk assurance and Reporting</b>	<b>20 lectures</b>
	The control environment, Internal audit function- Analyze the role and value of the internal audit function and risk assurance. The key elements of Risk assurance techniques, Risk reporting - the benefits of effective risk reporting	

## Evaluation Scheme

### I. Continuous Assessment (C.A.) - 40 Marks

Test / projects / Assignment

### II. Semester End Examination (SEE) - 60 Marks



<b>Course Code</b> <b>CBFM605</b>	<b>Strategic Management</b> <b>(Credits: 04 Lectures/Week : 06)</b>	
	<p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>➤ To expose participants to various perspectives and concepts in the field of Strategic Management.</li> <li>➤ To help participants develop skills for applying these concepts to the solution of business problems.</li> <li>➤ To help students master the analytical tools of strategic management.</li> </ul> <p><b>Outcomes:</b></p> <ul style="list-style-type: none"> <li>➤ Understand and uses methods of doing business environment analysis</li> <li>➤ Learn and apply alternative frameworks of business/ corporate strategy for attaining and sustaining competitive advantage.</li> <li>➤ Develop ability to make quality, reasoned strategic business decisions.</li> </ul>	
	<b>THEORY</b>	
<b>Sub Unit</b>	<b>Unit – I: Understanding Strategy</b>	<b>15 lectures</b>
	<p>Concept of strategy, Corporate, Business and Functional Levels of Strategy. Introduction to Strategic Management: Meaning and Characteristics of strategic management, strategic management Vs. operational management.</p> <p>Four Phases in Strategic Management Process: Stakeholders in business and their roles in strategic management. Hierarchy of Strategic Intent: Meaning &amp; attributes of strategic intent, Meaning of Vision, Process of envisioning, Meaning of mission, difference between vision &amp; mission, characteristics of good mission statements, Business definition using Abell's three dimensions, objectives and goals, Linking objectives to mission &amp; vision. Critical success factors (CSF), Key Performance Indicators (KPI), Key Result Areas (KRA).</p> <p>Analyzing Company's External Environment: Environmental appraisal Scenario planning Preparing an Environmental Threat and Opportunity Profile (ETOP). Analyzing Industry Environment: Industry Analysis -Porter's Five Forces Model of competition, Entry &amp; Exit Barriers, Strategic Group analysis</p>	

	<b>Unit – II: Analyzing Company’s Internal Environment</b>	<b>15 lectures</b>
	<p>Resource based view of a firm, meaning, types &amp; sources of competitive advantage, analyzing Company’s Resources and Competitive Position, VRIO Framework, competitive advantage, competitive parity &amp; competitive disadvantage, Core Competence, characteristics of core competencies, Distinctive competitiveness, Benchmarking as a method of comparative analysis. Value Chain Analysis Using Porter’s Model: primary &amp; secondary activities.</p> <p>Organizational Capability Profile: Strategic Advantage Profile, Concepts of stretch, leverage &amp; fit, ways of resource leveraging –concentrating, accumulating, complementing, conserving, recovering. Portfolio Analysis: Business Portfolio Analysis - BCG Matrix – GE 9 Cell Model.</p>	
	<b>Unit – III: Strategy Implementation</b>	<b>15 lectures</b>
	<p>Components of a strategic plan, barriers to implementation of strategy, Mintzberg’s 5 Ps – Deliberate &amp; Emergent Strategies, McKinsey’s 7s Framework. Organization Structures for Strategy Implementation: entrepreneurial, functional, divisional, SBU, Matrix, Network structures, Cellular/ Modular organization, matching structure to strategy, organizational design for stable Vs. turbulent environment, Changing Structures &amp; Processes: Reengineering &amp; strategy implementation – Principles of Reengineering, Six Sigma – Process consisting of defining, measuring, analyzing, improving &amp; establishing steps, Lean Six Sigma (Concepts only). Corporate Culture: Building Learning organizations, promoting participation through technique of Management by Objectives (MBO), Total Quality Management (TQM). Strategy Evaluation: Operations Control and Strategic Control - Symptoms of malfunctioning of strategy –Use of Balanced Scorecard for strategy evaluation.</p>	
	<b>Unit – IV: Generic Competitive Strategies</b>	<b>15 lectures</b>
	<p>Meaning of generic competitive strategies, Low cost, Differentiation, Focus – when to use which strategy.</p> <p>Grand Strategies: Stability, Growth (Diversification Strategies, Vertical Integration Strategies, Mergers, Acquisition &amp; Takeover Strategies, Strategic Alliances &amp; Collaborative Partnerships), Retrenchment – Turnaround, Divestment, Liquidation, Outsourcing Strategies.</p> <p>Business Models: Meaning &amp; components of business models, new business models for Internet Economy- Internet Strategies for Traditional Business –Virtual Value Chain. Sustainability &amp; Strategic Management: Threats to sustainability, Integrating Social &amp; environmental sustainability issues in strategic management, meaning of triple bottom line, people-planet-profits</p>	

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