

University of Mumbai



**Revised Syllabus
and
Question Paper Pattern
of Courses of
B.Com. (Financial Markets)
Programme at
Third Year
*Semester V and VI***

**Under Choice Based Credit, Grading and
Semester System**

***(To be implemented from Academic Year 2018-2019)
Board of Studies-in-Financial Markets***

B.Com. (Financial Markets) Programme

Under Choice Based Credit, Grading and Semester System

T.Y.B.Com. (Financial Markets)

(To be implemented from Academic Year 2018-2019)

No. of Courses	Semester V	Credits	No. of Courses	Semester VI	Credits
1	Elective Courses (EC)		1	Elective Courses (EC)	
1,2,3 & 4	*Any four courses from the following list of the courses	12	1,2,3 & 4	**Any four courses from the following list of the courses	12
2	Core Courses (CC)		2	Core Courses (CC)	
5	Financial Derivatives	04	5	Risk Management	04
6	Business Ethics and Corporate Governance	04	6	Project Work	04
Total Credits		20	Total Credits		20

✓ **Note:** Project work is considered as a special course involving application of knowledge in solving/analyzing/exploring a real life situation/ difficult problem. Project work would be of 04 credits each. A project work may be undertaken in any area of Elective Courses/ Study Area

*List of Elective Courses for Semester V (Any Four)		**List of Elective Courses for Semester VI (Any Four)	
01	Marketing in financial Services	01	Venture Capital and Private Equity
02	Technical analysis	02	Mutual Fund Management
03	Corporate Accounting	03	Organisational Behaviour
04	Equity Research	04	Strategic Corporate Finance
05	Direct Tax- Income Tax	05	Indirect Tax- GST
06	Business Valuation	06	Corporate Restructuring
Note: Course selected in Semester V will continue in Semester VI			

B.Com. (Financial Markets) Programme
Under Choice Based Credit, Grading and Semester System
Course Structure

(To be implemented from Academic Year 2018-2019)

Semester V

No. of Courses	Semester V	Credits
1	<i>Elective Courses (EC)</i>	
1,2,3 & 4	*Any four courses from the following list of the courses	12
2	<i>Core Courses (CC)</i>	
5	Financial Derivatives	04
6	Business Ethics and Corporate Governance	04
Total Credits		20

<i>*List of Elective Courses for Semester V (Any Four)</i>	
01	Marketing in financial Services
02	Technical analysis
03	Corporate Accounting
04	Equity Research
05	Direct Tax- Income Tax
06	Business Valuation

***Revised Syllabus of Courses of B.Com. (Financial Markets)
Programme at Semester V
with effect from the Academic Year 2018-2019***

1. Elective Courses (EC)

1. Marketing in Financial Services

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Foundation of Services Marketing	15
02	Services Market Segmentation	15
03	Issues in Marketing of Services	15
04	Customer Satisfaction & Service Quality in Service Marketing	15
	Total	60

Sr. No.	Modules / Units
1	Foundation of Services Marketing
	Foundation of services marketing – Introduction – The services concept – Service Industry – Nature of Service, Characteristics of Services, Classification of Services – Importance of Services Marketing – The Growth in Services – Global and Indian Scenario, Retail Financial Services: Investment Services – Insurance Services, Credit Services – Dimensions and drivers, Institutional Financial Service, Distinctive Characteristics of Services _ Four I’s of Services – Intangibility, Inconsistency, Inseparability and Inventory, Managing Service Encounters.
2	Services Market Segmentation
	Services Market Segmentation – Positioning and Differentiation of Services, Promotion and Communication – Designing and Managing Service Processes, Constructing and Service Environment – Managing People for Service Advantage – Service Quality and Productivity – Customer Relationship Management Customer Loyalty.
3	Issues in Marketing of Services
	Issues in Marketing of Services – Extended Services Marketing Mix : Going Beyond the 4 Ps. (7Ps of Services Marketing). Service Delivery Process – Service Blueprints - Service Mapping – Managing Employees for service orientation. Distribution Strategies of Services – Challenges in Distribution of Services. Personal Selling – Advertising and Sales Promotion in Service Industry.
4	Issues in Marketing of Services
	Customer Satisfaction & Service Quality in Service Marketing – Service Encounter – Role of HR & Internal Marketing – Monitoring and Measuring customer satisfaction, GAP Model – Handling complaints effectively – Service Failure – Recovery, Use of Internet in Service Marketing, Role of IT in marketing Financial Services, Ethics in Marketing, New trends in marketing, Marketing in 21 st Century, Marketing through social networking channels

Revised Syllabus of Courses of B.Com. (Financial Markets)
Programme at Semester V
with effect from the Academic Year 2018-2019

1. Elective Courses (EC)

2. Technical Analysis

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Introduction to Technical Analysis	15
02	Major Indicators and Oscillators	15
03	Major Theories in Technical Analysis	15
04	Dow Theory and Eliot Wave Theory Risk Management, Trading Psychology and Trading Strategies	15
	Total	60

Sr. No.	Modules / Units
1	Introduction to Technical Analysis
	Technical analysis, Basic assumptions, Strengths and Weakness, Charts, Candlestick charts analysis with one two and three candles like hammer, hanging man, shooting star, bearish and bullish harami; Pattern Study - Support and resistance, Head and shoulders, Double top and double bottom and Gap theory.
2	Major Indicators and Oscillators
	Stochastic, RSI, Williams %R, MFI, Bollinger bands, Moving Averages, MACD
3	Major Theories in Technical Analysis
	Dow Theory and Eliot Wave Theory
4	Risk Management, Trading Psychology and Trading Strategies
	Risk Management – Need, techniques, uses of stop loss, qualities of successful traders, golden rules of traders, do's and don'ts in trading, Rules to stop losing money, Choosing the right market to trade, Importance of discipline in trading; Day trading, Advantages of day trading, Risks associated with trading, Strategies for day trading, Momentum trading strategies.

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1. Elective Courses (EC)

3. Corporate Accounting

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Redemption of Preference Shares and Debentures	15
02	Ascertainment and treatment of Profit Prior to Incorporation	15
03	Amalgamation of Companies	15
04	Capital Reduction and Internal Reconstruction	15
	Total	60

Sr. No.	Modules / Units
1	Redemption of Preference shares and redemption of debentures
	<p><u>Redemption of Preference Shares</u></p> <ul style="list-style-type: none"> • Company Law / Legal Provisions for redemption • Sources of redemption including divisible profits and proceeds of fresh issue of shares) Premium on redemption from security premium and profits of company • Capital Redemption Reserve Account - creation and use <p><u>Redemption of Debentures (Including purchase or buy back of own debentures)</u></p> <ul style="list-style-type: none"> • By payment from sources including out of capital and/ or out of profits • Debenture redemption reserve and debenture redemption sinking fund excluding insurance policy • By conversion into new class of shares or debentures with options including at par, premium and discount • Purchase/ buy back of own debentures for immediate cancellation or holding including ex and cum interest for purchase/ sale price (excluding brokerage thereon)
2	Ascertainment and treatment of profit prior to incorporation
	<p>Principles for ascertainment</p> <p>Preparation of separate, combined and columnar profit and loss a/c including different basis of allocation of expenses / incomes</p>
3	Amalgamation of Companies (w.r.t. AS 14) (Excluding Intercompany Holdings)
	<p>In the nature of merger and purchase with corresponding accounting treatments of pooling of interests and purchase methods respectively</p> <p>Computation and meaning of purchase consideration</p> <p>Problems based on purchase method of accounting only</p>
4	Capital Reduction and Internal Reconstruction
	<p>Need for reconstruction and Company Law provisions</p> <p>Distinction between internal and external reconstructions</p> <p>Methods including alteration of share capital, variation of share holder rights, sub division, consolidation, surrender and reissue/cancellation, reduction of share capital, with relevant legal provisions and accounting treatments for same</p>

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1. Elective Courses (EC)

4. Equity Research

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Introduction to Research and Research Methodology	15
02	Equity Research – An Overview	15
03	Fundamentals of Research	15
04	Company Analysis	15
Total		60

Sr. No.	Modules / Units
1	Introduction to Research and Research Methodology
	Introduction and meaning of research, Objectives of research, Features and Importance of research in Financial Markets, Objectives and Types of research. Formulation of research problem. Meaning of Introduction, Need, and Good research design. Introduction to Data Collection and types of Data
2	Equity Research – An Overview
	A) Introduction – Meaning, Goals of equity research, Elements of equity research, Process of equity research, Types of equity research, Classification of stocks, Market participants, Role of equity research in capital market and Different approaches to equity research. B) Introduction to Research Analyst Profession – Role of research analyst, Responsibilities of research analyst, Basic principles of interaction with Clients/ Companies, Qualities of Research Analyst.
3	Fundamentals of Research
	A) Fundamentals of Research – Key points considered before investing, Research on business and stocks, Overview of Fundamental analysis, Technical analysis and Behavioural finance. B) Economy Analysis – Principles of macro and micro economics, key economic variables for carrying fundamental analysis, sources of information/data for carrying economic analysis C) Industry Analysis – Theories for analysis for industry performance – Michael Porter’s Five Force Model for Industry Analysis, PESTLE Analysis, BCG Analysis, SCP Analysis. Key industry drivers and sources of information for industry analysis.
4	Company Analysis
	A) Qualitative Dimensions – Understanding business and business models, Company’s SWOT Analysis, Management Quality and its governance system, Pricing power and sustainability of power, Success factors of the company, Compliance orientation of company and sources of information. B) Quantitative Dimensions – History of Business V/s Future of Business, Reading of financial statements, Peer comparison, dividend and earning history of the company and Role of corporate actions of the company.

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1. Elective Courses (EC)

5. Direct Taxation

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Definitions and Residential Status	15
02	Heads of Income – I	15
03	Deductions under Chapter VI A	15
04	Computation of Taxable Income of Individuals.	15
Total		60

Sr. No.	Modules / Units
1	Definitions and Residential Status
	Basic Terms (Sec. 2,3,4) Assesse, Assessment, Assessment Year, Annual Value, Business, Capital Assets, Income, Previous Year, Person, Transfer. Determination of Residential Status of Individual, Scope of Total Income (Sec 5) Exclusions from total income Sec 10 (Exclusions relating to specific heads to be covered with relevant heads of income)
2	Heads of Income – I
	Salary (Sec.15-17) Income from House Property (Sec. 22-27) Profit & Gain from Business and Profession(Sec. 28, 30,31,32, 35, 35D,36,37, 40, 40A and 43B) Capital Gain (Sec. 45, 48, 49, 50 and 54) Income from other sources (Sec.56- 59)
3	Deductions under Chapter VI A
	Deductions from Total Income S. 80C, 80CCC, 80D, 80DD, 80E, 80U, 80TTA
4	Computation of Taxable Income of Individuals.
	Computation of Total Income and Taxable Income of Individuals

Note.: The Syllabus is restricted to study of particular sections, specifically mentioned rules and notifications only.

1. All modules / units include Computational problems
2. The Law In force on 1st April immediately preceding the commencement of Academic year will be applicable for ensuing Examinations.

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1. Elective Courses (EC)

6. Business Valuation

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Basics of Valuation	15
02	Valuation Models	15
03	Valuation of Select Tangible Assets	15
04	Valuation of Select Intangible Assets	15
	Total	60

Sr. No.	Modules / Units
1	Basics of Valuation
	Introduction to valuation Value, Distinction between Price and Value Foundation of Business Valuation Purpose of business valuation Valuation Bias Uncertainties in Business Valuation Role of valuation in business acquisition, legal and tax purposes, efficient market hypothesis
2	Valuation Models
	Introduction to valuation models: asset based approach, Income based approach, market based approach Discounted cash flow valuation Relative valuation Free Cash Flow valuation Simple practical problems
3	Valuation of Select Tangible Assets
	Valuation of Fixed Assets: Related costs in relation to fixed asset valuation, self constructed fixed assets, assets acquired in exchange, fixed assets held for disposal Valuation of Shares: Basics of Company analysis and stock selection,
4	Valuation of Select Intangible Assets
	Valuation of Goodwill, Patents, Copyrights, Brands

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2. Core Course (CC)

1. Financial Derivatives

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Introduction to Derivatives	15
02	Futures – Introduction	15
03	Futures - Options – Introduction and Pricing Options	15
04	Trading Clearing and Settlement of Options and Futures	15
	Total	60

Sr. No.	Modules / Units
1	Introduction to Derivatives
	<ul style="list-style-type: none"> • Definition – Types- Participants and Functions- Development of Exchange traded derivatives- Global derivatives markets- Exchange traded vs OTC derivatives markets- Derivatives trading in India- L.C.Gupta committee- J.C. varma committee- Requirements for a successful derivatives markets
2	Futures – Introduction
	<ul style="list-style-type: none"> • Futures: Introduction- Future terminology- Key features of futures contracts- Future vs. Forwards- Pay off for futures- Equity futures- Equity futures in India- Index futures- Stock futures- Future trading strategies-Hedging- Speculation- Arbitrage- Spread trading.
3	Futures - Options – Introduction and Pricing Options
	<ul style="list-style-type: none"> • Options: Introduction- Option terminology- Types- Options pay off- Equity options contracts in India-Index Options – Stock options- Options trading strategies- Hedging- Speculation- Arbitrage- Straddle- Strangles- Strips and Straps – Spread trading • The cost of carry models for stock and index futures- cash price and future price, arbitrage opportunity • Factors affecting options pricing- Option pricing models- Binominal pricing model- The black and Scholes model –Pricing of Index options. • Sensitivity of option premia (Delta, Gamma, Lambda, Theta, Rho)
4	Trading Clearing and Settlement of Options and Futures
	<ul style="list-style-type: none"> • Futures and Options trading system- Trader workstations- contract specification- specification for stock and index eligibility for trading charges • Clearing entities and their role- clearing mechanism –adjustment for corporate actions- open position calculation • Margining and settlement mechanism- Risk management- SPAN – Mechanics of SPAN- Overall portfolio margin requirements.

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2. Core Course (CC)

2. Business Ethics and Corporate Governance

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Business Ethics	15
02	Corporate Governance- Conceptual Framework	15
03	Corporate Governance and Shareholders Rights	15
04	Corporate Governance Forums and Legislative Framework of Corporate Governance in India	15
	Total	60

Sr. No.	Modules / Units
1	Business Ethics
	Role of Board of Directors Organisation climate and structure and ethics Addressing ethical dilemmas Code of ethics; ethics committee, ethics training, integrity pact
2	Corporate Governance- Conceptual Framework
	Introduction, need and scope Evolution of Corporate Governance Developments in India Elements of Good Corporate Governance
3	Corporate Governance and Shareholders Rights
	Rights of shareholders Challenges of exercising shareholders rights Corporate governance and Related Party Transactions Role of Investor Association in securing shareholders rights Role of institutional investors in Corporate Governance
4	Corporate Governance Forums and Legislative Framework of Corporate Governance in India
	National Foundation of Corporate Governance Global Corporate Governance forum Listing agreements SEBI Guidelines Companies Act

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Programme at Semester V
with effect from the Academic Year 2018-2019**

Reference Books

Reference Books
Elective Courses (EC)
1. Marketing in financial Services
<ul style="list-style-type: none"> • <i>Marketing Financial Services: Arthur Meidam: Macmillan</i> • <i>Marketing Financial Services: Christine Ennew, Trevor Watkins Mike Wright: Routledge</i> • <i>The Essence of Services Marketing.: Payne, Adrian: Prentice Hall of India Private Limited,</i> • <i>Customer Service Meaning and Measurement: La Londe, B.J. and Zinszer, P.H: National Council of Physical Distribution Management (NCPDM.)</i> • <i>Financial Services Marketing: Harrison, Tina: Pearson Education</i>
2. Technical analysis
<ul style="list-style-type: none"> • <i>Technical Analysis of Stock Trend; Robert D Edwards, Visiosn Book</i> • <i>Technical Analysis Explained; Martin J Pring; McGraw Hill</i> • <i>Handbook of Technical Analysis, Darell R Jobman; Probus</i> • <i>Technical Analysis of Stocks , options; William Eng, Probus</i> • <i>Technical Analysis, Jack D Schwager, John Wiley & Sons</i>
3. Corporate Accounting
<ul style="list-style-type: none"> • <i>Introduction to Corporate Accounting: P C Tulsian: S Chand</i> • <i>Corporate Accounting: Rajsekaran V : Pearson</i> • <i>Corporate Accounting : S N Maheshwari: Vikas Publishing House</i> • <i>Corporate Accounting M C Shukla, T S Grewal and S C Gupta: S Chand</i> • <i>Advanced Accountancy: R L Gupta : S Chand</i>
4. Equity Research
<ul style="list-style-type: none"> • <i>Equity Research and Valuation: Dun and Brad Street- Mc Graw Hills Professional</i> • <i>Damodaran on Valuation: Ashwath Damodaran- Wiley</i> • <i>Best Practices for Equity Research Analysts: James Valentine- Mc Graw Hill Education</i> • <i>Principles of Quantitative Equity Investing: Sugata Ray- Pearso</i>
5. Direct Tax- Income Tax
<ul style="list-style-type: none"> • <i>Students Guide to Income Tax Dr Vinod Singhania- Taxmann</i> • <i>Students Handbook on Taxation- T N Manoharan- Snow White</i> • <i>Income Tax Act and Rules</i>

Reference Books

6. Business Valuation

- *Valuation: Measuring and Managing the value of Companies: Thomas Copeland- Wiley*
- *The Handbook of Advance Business Valuation: Rovert F Reilly and Robert Swhweish: Mc Graw hill*
- *Business Valuation: Pitabas Mohanty- Taxmann*
- *Valuation- Measuring and Managing the value of Companies : Tim Koller- Mc Kinsey & Co*

Core Course (CC)

1. Financial Derivatives

- *FINANCIAL DERIVATIVES THEORY, CONCEPTS AND PROBLEMS Gupta S.L., PHI, Delhi*
- *FINANCIAL DERIVATIVES: S S S Kumar:*
- *DERIVATIVES and Risk Management Basics, Cengage Learning, Delhi. Stulz M. Rene,*
- *RISK MANAGEMENT & DERIVATIVES, Cengage Learning, New Delhi.*
- *Fundamentals of Financial Derivatives : Prafulla Kumar Swain : Himalaya Publishing*

2. Business Ethics and Corporate Governance

- *Business Ethics- Concepts and Cases – Manuel G. Velasquez*
- *Corporate Governance, Principles, policies and Practices – A.C. Fernando, Pearson Education*
- *Corporate Governance – IICA, Taxmann*
- *The Art of Corporate Governance – Dr. Joffy George*
- *Companies Act 2013 and Rules*
- *SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*