

# **FACULTY OF ECONOMICS & BUSINESS**

## **SYLLABUS**

**For**

**Post Graduate Diploma in Financial Services (P.G.D.F.S)  
(Banking & Insurance)**

**(Semester: I -II)**

**(Under Continuous Evaluation System)**

**Session: 2018-19**



**The Heritage Institution**

**KANYA MAHA VIDYALAYA  
JALANDHAR  
(Autonomous)**

**P.G.D.F.S****Post Graduate Diploma in Financial Services (Banking & Insurance)****Duration: 1Year****Level: Post Graduation****Type: Diploma**

The program has been designed specifically for graduates aspiring for a growing career in financial services sector. The program will equip candidates with both knowledge and experience, needed to boost their career in the rapidly growing finance sector. The program is designed to build competencies in the areas of domain-knowledge and soft-skills.

**Programme Specific Outcomes**

On successful completion of this programme it would:

PSO1: serve as abasis for higher studies in finance.

PSO2: help students to pursue research work in various socio-economic issues.

PSO3: give industry exposure to the students which would prepare them for their entrepreneurial journey.

PSO4: prepare students for a wide variety of career avenues in finance from accountant to investment banker, portfolio managers, mutual fund managers, financial consultant etc.

**Scheme of Studies and Examination (Session2018-19)**

**Post Graduate Diploma in Financial Services (Banking & Insurance)**

<b>Semester I</b>							
<b>Course Code</b>	<b>Course Name</b>	<b>Course Type</b>	<b>Marks</b>				<b>Examination time (in Hours)</b>
			<b>Total</b>	<b>Ext.</b>		<b>CA</b>	
				<b>L</b>	<b>P</b>		
PFSL-1091	Financial Services – I	C	50	40	-	10	3
PFSL-1092	Financial Institutions	C	50	40	-	10	3
PFSL-1093	Financial Sector Regulations – I	C	50	40	-	10	3
PFSL-1094	Financial and Cost Accounting	C	50	40	-	10	3
PFSL-1095	Financial Markets	C	50	40	-	10	3
PFSS-1096	Seminar Based on Term Paper	C	50	-	-	-	-
<b>Total</b>			<b>300</b>				

<b>Semester II</b>							
<b>Course Code</b>	<b>Course Name</b>	<b>Course Type</b>	<b>Marks</b>				<b>Examination time (in Hours)</b>
			<b>Total</b>	<b>Ext.</b>		<b>CA</b>	
				<b>L</b>	<b>P</b>		
PFSL-2091	Financial Sector Regulations – II	C	50	40	-	10	3
PFSL-2092	Financial Services – II	C	50	40	-	10	3
PFSL-2093	Financial Management	C	50	40	-	10	3
PFSL-2094	Information Technology in Financial Services	C	50	40	-	10	3
PFSL-2095	Management of Banking and Insurance Services	C	50	40	-	10	3
PFSS-2096	Seminar Based on Term Paper	C	50	-	-	-	-
<b>Total</b>			<b>300</b>				

**C-Compulsory**

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session2018-19**

**Course Code: PFSL -1091**

**FINANCIAL SERVICES – I**

**Course Outcomes:**

After successful completion of this course, students will be able to –

CO1: understand the concept of leasing and accounting treatment in the books of lessor and lessee.

CO2: know the objectives and functioning of Credit Rating Agencies.

CO3: understand the provisions of Depositories Act.

CO4: know the concepts of merchant banking, mutual funds and its various types, hire purchase and consumer finance.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session 2018-19**

**Course Code: PFSL -1091**

**FINANCIAL SERVICES – I**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory: 40**

**CA: 10**

### **Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

### **Unit-I**

**Introduction to Financial Services:** Concept, Nature, Objectives, Features, Types, Importance of Financial Services.

**Merchant Banking:** Concept, Origin and Development, Functions and Scope, Importance, Guidelines of SEBI on Merchant Banking.

### **Unit-II**

**Leasing:** Concept, Development, Types of Leasing, Advantages of Leasing, Financial Evaluation, and Tax Implications.

**Hire Purchase and Finance:** Definition, Rights of Hirer, Rate of Interest, Accounting of Hire Purchase, Methods of Interest Calculation.

### **Unit-III**

**Credit Rating Agencies:** Concept, Objectives, Factors affecting Credit Ratings, Procedural aspects of Credit Rating, Credit Rating Agencies in India.

**Consumer Finance:** Definition, Types, Sources of Consumer Finance, Mode of Consumer Finance, Demand of Consumer Finance, Products covered, Terms of Finance, Advantages and Disadvantages.

## Unit-IV

**Mutual Funds:** Meaning, Origin and Growth of Mutual Funds, Constitution and Management of Mutual Funds, Classification of Mutual Fund Schemes, NAV and Pricing of Mutual Fund Units, Recent Trends of Mutual Funds in India.

**Other Financial Services:** Stock Broking: Stock broker, and Sub-Broker, SEBI Guidelines, Credit Card Services: Types of Cards, Credit Card Vs Debit Card, Facilities to the Cardholder, Risks attached.

### Recommended Readings:

1. A Manual of Merchant Banking, J C Verma - Bharat Law House.
2. SEBI Guidelines, Nabhi Publications.
3. Capital Market Management, V.A Avadhani - Himalaya publishing House.
4. Financial Institutions and Market, LM Bhole - Tata McGraw Hill.
5. Primary Market & IPO, ICFAI Publication.
6. Economic Times Market Watch, ICFAI Publication.
7. Handbook of leasing, hire purchase and factoring, K Sriram - ICFAI Publication.
8. How to do lease financing and hire purchase business, Nabhi Publications.
9. Inside Leasing, FaroullIrani - Tata McGraw Hill.
10. Leasing comes of age : Indian scene, DrPremlal Joshi - Amrita Prakashan.
11. Equipment leasing partnerships, Cudworth- Probus.
12. The Financial Services Revolution, Clifford E Kirsch - McGraw Hill.
13. Indian Financial System, Dr. S Guruswamy, Tata McGraw Hill.
14. Credit Rating, J C Verma - Bharat Law.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session2018-19**

**Course Code: PFSL -1092**

**FINANCIAL INSTITUTIONS**

**Course Outcomes:**

After the successful completion of this course, students will be able to:

CO1: discuss why financial systems exist and how they are structured.

CO2: explain the importance of financial institutions in the global economy.

CO3: evaluate the performance of different types of financial institutions.

CO4: identify the main types of risk, financial institutions are exposed to.

CO5: apply different methods to measure the risks to suit different contexts.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session 2018-19**

**Course Code: PFSL -1092**

**FINANCIAL INSTITUTIONS**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory: 40**

**CA: 10**

**Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

**Unit-I**

**Indian Financial Institutions:** Meaning, Features, Categories, Role, Banking and Non-banking Financial Institutions

**Reserve Bank of India:** Structure, Nationalization, Management, Functions, Departments

**Unit-II**

**Commercial Banking in India:** Commercial Bank Structure, Public Sector Banks, Private Sector Banks, Security of Bank Advances.

**Cooperative Banking in India:** Meaning, Features, Importance, Structure of Cooperative Banks, Problems.

**Unit-III**

**Clearing Corporation of India Limited (CCIL):** Introduction, Settlement Risks, Settlement Methods, Risk Management System, Managing Specific Risks, Benefits.

**Discount and Finance House in India Limited (DFHIL):** Introduction, Financial Resource, Objectives, Operations, Achievements

**Unit-IV**

**National Securities Depository Limited (NSDL and CDSL):** Introduction, Promoters/Shareholders, Objectives, Basic Services, Special Services, Depository System Benefits.

**NABARD:** ACD, ARC and ARDC, Functions, Refinancing Assistance, Major Activities, Rural Infrastructure, Development Fund (RIDF), Rural Non-Farm Sector, District Rural Industries Project (DRIP)

**National Housing Bank (NHB):** Business Profile, Project and Services Exports, Fund Based Facilities, FREPEC, Operating Procedure, Export Capacity Creation Programmes.



**Recommended Readings:**

1. Kohn Meir, Financial Institutions and Markets, - Tata McGraw Hill, 1996.
2. Bhole L M , Financial Institutions and Markets, - Tata McGraw Hill.
3. Srivastava R M, Management of Indian Financial Institutions, Himalaya Publishing.
4. Gursamy S., Financial Markets and Institutions, Thomson (2004).
5. Bhalla V.K. Management of Financial Services, Anmol Publications Pvt. Ltd., New Delhi, 2002.
6. PathakBharati, Indian Financial System, Pearson Education, New Delhi, 2004.
7. Gurusamy S., Financial Services and System, Vijay Nicole Imprints Pvt. Ltd., Chennai, 2004.
8. Machiraju H.R., Indian Financial System, Vikash Publishing House Pvt. Ltd., New Delhi, 2002.
9. Khan M.Y., Financial Services, Tata McGraw Hill, New Delhi, 2001.
10. Khan M.Y., Indian Financial System, Tata McGraw Hill, New Delhi, 2001.
11. S. Guruswamy, Financial Markets and Financial Services, Tata McGraw Hill, New Delhi
12. Desai Vasant, The Indian Financial System, Himalaya Publication, Mumbai, 2001.

Post Graduate Diploma in Financial Services(Banking & Insurance) (Semester-I)  
**Session 2018-19**  
**Course Code: PFSL -1093**  
**FINANCIAL SECTOR REGULATIONS - I**

**Course Outcomes:**

After the successful completion of this course, students will be able to:

CO1: understand the provisions of Securities Contract Act, 1956.

CO2: know the importance & functions of SEBI as the chief regulatory body.

CO3: to have an in depth knowledge regarding the provisions of Depositories and Foreign Exchange Management Act.

Post Graduate Diploma in Financial Services(Banking & Insurance) (Semester-I)

**Session2018-19**

**Course Code: PFSL -1093**

**FINANCIAL SECTOR REGULATIONS - I**

**Time Allowed: 3**

**Max. Marks: 50**

**Theory:40**

**CA:10**

**Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

**Unit-I**

**Stock Exchanges Regulatory Framework-** Securities Contract (Regulation) Act, 1956:

Introduction and Important provisions Under BSCC Act and Under Defense of India Rule.

**Unit-II**

**SEBI:** Origin, Features of SEBI Bill, Objectives, Management, Powers and Functions, Role and Relevance, Regulatory Framework.

**Unit-III**

**NBFCs:** Regulatory Structure.

**Depository Act:** Definitions and Provisions.

**Unit-IV**

**Government Securities Act:** Definitions and Provisions.

**Foreign Exchange Management Act.**

**Recommended Readings:**

1. Srivastava R M, Management of Indian Financial Institutions, Himalaya Publishing.
2. Gursamy S., Financial Markets and Institutions, Thomson (2004).
3. Bhalla V.K. Management of Financial Services, Anmol Publications Pvt. Ltd., New Delhi, 2002.
4. PathakBharati, Indian Financial System, Pearson Education, New Delhi, 2004.

5. Gurusamy S., Financial Services and System, Vijay Nicole Imprints Pvt. Ltd., Chennai, 2004.
6. Machiraju H.R., Indian Financial System, Vikash Publishing House Pvt. Ltd., New Delhi, 2002.
7. Khan M.Y., Financial Services, Tata McGraw Hill, New Delhi, 2001.
8. Khan M.Y., Indian Financial System, Tata McGraw Hill, New Delhi, 2001.
9. S. Guruswamy, Financial Markets and Financial Services, Tata McGraw Hill, New Delhi
10. Desai Vasant, The Indian Financial System, Himalaya Publication, Mumbai, 2001.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session 2018-19**

**Course Code: PFSL -1094**

**FINANCIAL AND COST ACCOUNTING**

**Course Outcomes:**

After completion of this course, the students will be able to:

CO1: acquire sufficient knowledge for an adequate interpretation, analysis and use the information provided by financial accounting.

CO2: analyze a company's financial statements and come to a reasoned conclusion about the financial position of the company.

CO3: understand the concept and role of cost accounting in manufacturing and non-manufacturing companies.

CO4: define the costs and their impact on value creation in manufacturing and non-manufacturing companies.

Post Graduate Diploma in Financial Services(Banking & Insurance) (Semester-I)

Session 2018-19

Course Code: PFSL -1094

**FINANCIAL AND COST ACCOUNTING**

**Time Allowed: 3 Hours**

**M.Marks: 50**

**Theory:40**

**CA:10**

**Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

**Unit-I**

**Introduction to Financial Accounting:** Features, Need and Objectives, Advantages, Limitations and Branches of Accounting, Accounting as an Information System, Users of Accounting Information System.

**Investment Accounts**

**Unit-II**

**GAAP:** Concepts and Conventions of Accounting, Accounting Standards in India, Standard Setting Procedure.

**Preparation of Final Accounts** of Banking and Insurance Companies.

**Unit-III**

**Introduction to Cost Accounting:** Definition, Need, Features, Scope, Difference between Cost Accounting and Financial Accounting, Advantages of Cost accounting.

**Elements and Components of cost and Cost classification**

**Single (Output ) Costing:** Meaning, Features, Costing Procedure, Meaning, Features and Advantages of Cost Sheet, Preparation of Cost Sheet.

## **Unit-IV**

**Cost Control:** Budgeting- Meaning of Budgetary Control, Objectives and Classification of Budgets.

**Standard Costing:** Material and Labour Variances

**Marginal Costing:** Meaning, Features, Cost- Volume Profit Analysis, Tools of Marginal Costing- Contribution, P/V ratio, Break Even Point, Margin of Safety.

### **Recommended Readings:**

1. Bhattacharya, S.K. and John Dearden, "Accounting for Management - Text and Cases", Vikas Publishing House.
2. Lele RK. and Jawahar Lal, "Accounting Theory", Himalaya Publishers.
3. Porwal, L.S. "Accounting Theory", Tata McGraw Hill.
4. Horngren, Charles T., Gary L. Sundem and William O. Stratton, "Introduction to Management Accounting", Pearson Education Asia.
5. Sharma, Subhash and M.P. Vithal, "Financial Accounting for Management Text and Cases", McMillan.
6. Arora, M.N., "Cost Accounting - Principles and Practice", Vikas Publishing House.
7. Pandey, I.M, "Essentials of Management Accounting", Vikas Publishing House.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session2018-19**

**Course Code: PFSL -1095**

**FINANCIAL MARKETS**

After successful completion of this course the student will be able to:

CO1: acquire an overview of financial markets & institutions in India.

CO2: describe the role and structure of financial system

CO3: understand the role and structure of Central Bank.

CO4: explain the concepts and functions of different types of financial markets, financial instruments and financial intermediaries.



Time Allowed: 3 Hours

Maximum Marks: 50

Theory:40

CA: 10

**Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

**Unit-I**

**Indian capital Market:** Importance, Functions, Growth of Indian Capital Market, Structure, Sources of Demand and Supply of funds.

**Capital Market Instruments:** Ownership Securities, Government Securities, Creditorship Securities, Semi- Government Securities.

**Regulation Capital Market:** SEBI- Origin, Objectives, Organisation, Functions.

Securities Contract Regulation Act- Importance, Provisions.

**Unit-II**

**New Issue Market:**Functions, Methods of floating new issues, Operations in New Issue Market, Problems.

**Secondary Market:** NSE, OTCEI, Stock Holding Corporation of India Ltd. (SHCIL)

Stock Exchange: Definition, Functions, Management and Organisation.

**Unit-III**

**Money Market:** Meaning, Composition, Structure, Money Market and Capital Market

**Treasury Bills**

**Call Market**

**Unit-IV**

**Commercial Papers**

**Certificate of Deposits**

**Government Securities**

**Foreign Exchange Market:** Structure and Operations.

**Recommended Readings:**

1. Management of Banking and Financial Services, Paul and Suresh, Pearson Education, 2007.

2. Banking Theory Law and Practices, Sunderam and Varshney, Sultan Chand and Sons Publisher, 2004, Edition.
3. Managing Indian Banks: Challenging Ahead, Vasant Joshi & Vinay Joshi, Sage Publications, 2e.
4. Money Banking and International Trade, KPM Sundharam, Sultan Chand and Sons, 2002, Edition.
5. SEBI Guidelines, Nabhi Publications
6. Capital Market Management, V.A Avadhani - Himalaya Publishing House
7. Primary Market & IPO, ICFAI Publication.
8. Economic Times Market Watch, ICFAI Publication
9. The Financial Services Revolution, Clifford E Kirsch - McGraw Hill
10. Financial Institutions and Markets, L.M. Bhole, Tata McGraw Hill, 2004, 4th Edition.
11. Indian Financial System, Theory and Practices, M.Y. Khan, Tata McGraw Hill, 2004, 4th Edition.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)

**Session2018-19**

**Course Code: PFSS -1096**

**SEMINAR BASED ON TERM PAPER**

**Course Outcomes:**

Students will be able to –

CO1: develop strong communication skills.

CO2: develop the skills that will help in enhancing and shaping their thoughts and creativity.

CO3: improve their conceptual knowledge and develop critically thinking.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-I)  
**Session2018-19**

**Course Code: PFSS -1096**  
**SEMINAR BASED ON TERM PAPER**

**Maximum Marks: 50**

The topics for the seminar will be discussed with the students in the class.

Post Graduate Diploma in Financial Services(Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSL- 2091**

**FINANCIAL SECTOR REGULATION- II**

**Course Outcomes:**

After the successful completion of this course, students will be able to:

CO1: understand the provisions of Banking Regulation Act, 1949, SARFAESI Act, 2002 and RTI Act.

CO2: evaluate the importance of monetary policy in controlling the money supply of an economy.

CO3: know the functions, working & importance of commercial banks in the development of an economy.

CO4: acquire conceptual understanding of the BASEL Norms.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSL- 2091**

**FINANCIAL SECTOR REGULATION- II**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory:40**

**CA:10**

### **Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

#### **Unit-I**

**Banking Regulation Act, 1949.**

**Monetary Policy:** Provisions and Implications.

#### **Unit-II**

**BASEL Norms: BASEL I, II and III.** Provisions and implications.

**SARFAESI Act, 2002.**

#### **Unit-III**

**RTI Act**

**Commercial Banks.**

#### **Unit-IV**

**KYC norms**

**Anti money Laundering.**

### **Recommended Readings:**

1. Clifford Gomez, Financial Markets, Insurance and Financial Services, PHI.
2. Dr. S. Guruswamy, Financial Services, Tata McGraw Hill.
3. Dr. PunithavathyPandian, Financial Services & Markets, Vikas Publication.

4. Sundaram and Varshney, Banking Theory Law and Practice, Sultan Chand and Sons Publisher.
5. Shakti R. Mohapatra, Debidutta Acharya, Banking and Insurance, Pearson Education India
6. Dudley Lockett, Money and Banking, McGraw Hill
7. Principles & Practices of Banking- By Indian Institute of Banking & Finance- Macmillan Publication

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSL -2092**

**FINANCIAL SERVICES – II**

**Course Outcomes:**

After successful completion of this course, the students will be able to:

CO1: have knowledge regarding the investment avenues in India.

CO2: acquire conceptual understanding of Venture Capital Financing, Factoring, Forfeiting, Debt Securitisation and Insurance and its regulatory mechanism in India.

CO2: opt for a career in portfolio management.

CO3: have basic understanding of the role, importance and objectives of the securities market.

CO4: learn about the techniques used in ascertainment of prices of securities in any portfolio.



Post Graduate Diploma in Financial Services (Banking & Insurance)(Semester-II)

**Session2018-19**

**Course Code: PFSL -2092**

**FINANCIAL SERVICES – II**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory:40**

**CA:10**

### **Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

#### **Unit-I**

**Venture Capital Financing:** Definition, Characteristics, Evolution, Venture Capital Investment Process, Advantages, Forms of Venture Capital Assistance, Venture Capital Assistance, Venture Capital in India, SEBI and Venture Capital Financing.

**Factoring:** Concept, Mechanism, Bill Discounting and Factoring, Forms of Factoring, Benefits, Problems, Factoring in India. **Forfaiting:** Meaning, Process, Factoring vs. Forfeiting, Advantages.

#### **Unit-II**

**Debt Securitization:** Concept and Definition Need of Securitization, Participants in Securitization Process, Mechanism of Securitization, Benefits and Problems, Securitization in India.

**Depository:** Definition, Need, Depository System, Participants, Mechanism, Legal Framework, Benefits, Depositories in India.

#### **Unit-III**

**Insurance:** Definition, Importance, Principles of Insurance, Insurance Industry: Historical Perspective, Regulatory framework: IRDA, Functions of IRDA, Insurance Ombudsman, Insurance Association, Insurance Advisory Committee.

**NBFCs:** Definition, Structure, Classification, Types, Regulation of NBFCs, Prudential Regulations.

#### **Unit-IV**

**Other Financial Services:** Custodial Services: Custodian, Obligation and Responsibilities, Custodial Service Provides in India.

**Registrar and Share Transfer Agents:** Definition, Function, Role of Registrar in Public Issue, CAR, Obligation and Responsibilities.

**Recommended Readings:**

1. Clifford Gomez, Financial Markets, Insurance and Financial Services, PHI.
2. Dr. S. Guruswamy, Financial Services, Tata McGraw Hill.
3. Dr. PunithavathyPandian, Financial Services & Markets, Vikas Publication.
4. Dr. R. Shanmugham , Financial Services, Wiley India.
5. Dr. S. Guruswamy, Financial Markets & Financial Institutions, Tata McGraw Hill.
6. Divya Nigam, R.M. Srivastava, Management of Indian Financial Institution, Himalaya Publication.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSL -2093**

**FINANCIAL MANAGEMENT**

**Course Outcomes:**

After successful completion of this course, students will be able to –

CO1: understand both the theoretical and practical role of financial management in business corporations.

CO2: analyse the financial requirements of corporations and decide their capital structures.

CO3: apply various capital budgeting techniques for taking decisions regarding acceptance and Rejection of proposals.

CO4: devise dividend policy of corporations.

CO5: understand the importance of analysis and interpretation of financial statements.

CO6. define and explain several ratios and their role in analyzing the financial statements and other financial activities of an organization.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session 2018-19**

**Course Code: PFSL -2093**

**FINANCIAL MANAGEMENT**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory: 40**

**CA: 10**

### **Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

#### **Unit-I**

**Objectives of Financial Management:** Profit maximization Vs. Wealth maximization, Environment of Financial Management.

**Analysis of Financial Statements:** Common size financial statements, Ratio Analysis, Fundsflow and cash flow statement.

#### **Unit-II**

**Working Capital Management:** Estimates of working capital Accounts Receivable management, cash management, inventory management.

#### **Unit-III**

**Capital budgeting** –Techniques of Evaluation of Capital Expenditure–Capital Budgeting under Risk & Uncertainty,

**Cost of Capital:** Meaning, Significance and Computation of Cost of Capital.

#### **Unit-IV**

**Capital structure planning:** leverage, concept of optimum capital structure, Capital market instruments, Securitisation of Debt, GDR/ADR issue.

**Dividend policy:** theories of dividend, bonus shares including SEBI guidelines

**Recommended Books:**

**References:**

1. Berk, Jonathan and DeMarzo, Peter: Financial Management, Pearson Education, Dorling Kindersley (India) Pvt. Ltd.

2. Bhattacharya, Hrishlkas: Working Capital Management: Strategies and Techniques. Prentice Hall, New Delhi.
3. Brealey, Richard A and Seward C. Myers: Corporate Finance, McGraw Hill, Int. Ed, New York.
4. Chandrara, Prasanna: Financial Management, Tata McGraw Hill, Delhi
5. Hampton, John: Financial Decision Making, Prentice Hall, Delhi.
6. Pandey, I,M: Financial Management, Vikas Publishing House, Delhi.
7. Van Horne. J.G. and J.M. Wachowicz Jr.: Fundamentals of Financial Management. Prentice-Hall, Delhi.
8. Van Horne, James G: Financial Management and Policy, Prentice Hall, Delhi,
9. Pinches,George E: Essentials of Financial Management; Harper and Row, New York.
10. Khan MY, Jain PK: Financial Management; Tata McGraw Hill, New Delhi.
11. Archer, Stephen, H., Choate G Marc, Racette, George; Financial Management; John Wiley, New York
12. Block, Stanley B, Geoffrey A Hilt: Foundations of Financial Management; Richard D. Irwin, Homewood Illinois.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSL -2094**

**INFORMATION TECHNOLOGY IN FINANCIAL SERVICES**

**Course Outcomes:**

After successful completion of this course, students will be able to:

CO1: understand the historical background and basics of computers.

CO2: apply Microsoft Office- Word and Excel.

CO3: create worksheets on Microsoft Excel.

CO4: use Tally package for financial accounting.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session 2018-19**

**Course Code: PFSL -2094**

**INFORMATION TECHNOLOGY IN FINANCIAL SERVICES**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory: 40**

**CA: 10**

### **Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

### **Unit-I**

**Introduction to Computers:** Block diagram of digital computer, their functions Memory types, I/O devices, Secondary storage devices, History of computer, Computer Generations, PC Applications.

### **Unit-II**

**Introduction to MS- Word:** Features of MS-Word like Open and Create a document, Save a Document, Alignment of document, Mail merge Facility Spell check and grammar check, Printing of a document.

### **Unit-III**

**Introduction to MS-Excel:** Features of MS-Excel, Open and Create a worksheet

Create and Print graph using pivot table, Save & Exit Worksheet, Using Multiple Worksheets, Using Formulas & Functions

### **Unit-IV**

**Introduction to Tally Package:** Using Tally package for Financial Accounting.

### **Recommended Readings:**

1. Singh, Gurvinder, "Windows Based Computer System", Kalyani Publisher, 2009.
2. Norton, Peter, "Introduction to Computers", Tata McGraw Hill, 2009.

3. B.A. Forouzan, "Data Communication and Networking", Tata McGraw Hill 2009.
4. Sharma Anshuman, "A Book of Fundamentals of Information Technology", Lakhanpal Publishers, 2009.
5. Sharma Anshuman, "Fundamentals of Internet Applications", Lakhanpal Publishers, 2009.
6. Asok K. Nadhani, Kisor K Nandhani, Simple Tally 9: Financial Accounting, Invoicing & Inventory, BPB Publications, 2008.
7. Sinha, P.K. "Fundamental of Computers" BPB Publications, 2008.



Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSL -2095**

**MANAGEMENT OF BANKING AND INSURANCE SERVICES**

**Course Outcomes:**

After the successful completion of this course, students will be able to:

CO1: identify the characteristics of risk and risk management.

CO2: describe the basic concepts and principles of insurance and types of insurance policies

CO3: understand the provisions of IRDA Act, 1999 and identify the duties, powers and functions of the IRDA.

CO4: evaluate the role, nature and importance of commercial banks for an economy.

CO5: understand the role of RBI and identify the techniques of credit control and credit creation.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session 2018-19**

**Course Code: PFSL -2095**

**MANAGEMENT OF BANKING AND INSURANCE SERVICES**

**Time Allowed: 3 Hours**

**Maximum Marks: 50**

**Theory: 40**

**CA: 10**

**Instructions for the Paper Setter**

Eight questions of equal marks are to be set, two in each of the four Sections (A-D). Questions of Sections A-D should be set from Units I-IV of the syllabus respectively. Questions may be subdivided into parts (not exceeding four). Candidates are required to attempt five questions, selecting at least one question from each section. The fifth question may be attempted from any Section.

**Unit-I**

**Introduction:** Nature of Banking System in India, Meaning of Banking & Merchant terms.

Types of Banks, Functions of Banks.

**Liberalization in Financial Services:** Need of Reforms in Banking structure, Different Phases of Indian Banking, Committees on Reforms in Banking Sector, Narasimham Committee, Mergers and Acquisitions in Indian Banking system.

**Non-Performing Assets and Income Recognition:** Introduction, Provisions for NPA, effects/reasons for Assets becoming NPAs, Tackling with NPA.

**Unit-II**

**Services Provided by Banking:** Deposit, Loans and Advances, Discounting of Bills, Letter of Credits, Guarantees, Liability & Rights of Surety.

**Financing Priority Sector:** Targets for funding to priority sector, credit guarantee schemes, SSI loan guarantee schemes, guidelines for financing priority sectors. Kinds of borrowers in the priority sector.

**Liquidity Management in Banks**

**Asset Liability Management**

**Security Investment Management**

**Unit-III**

**Insurance:** Meaning, nature and significance, essential requirements and principles of Insurance, Contract elements of General Insurance and Life Insurance, re-insurance,

nationalization of insurance business in India, Role of Insurance in national economy.

**Definition of Risk and Uncertainty**, Classification of risks, sources of risk-external and internal, risk management.

**IRDA Act:** Salient feature, duties, powers and functions of the authority, financial Accounts and audit, power of Central Government to issue directions, IRDA (Protection of Policy Holders Interest) Regulation 2002, Rationale of opening up of the insurance sector to the private sector.

#### **Unit-IV**

**LIC of India:** Role, functions and policies, modern life insurance in India, private sector companies in life insurance sector, recent trends in life insurance.

**General Insurance :** Meaning and origin, growth of General Insurance, nature of general insurance, different types of general insurance, law relating to general insurance organization and management of general insurance in India.

**Deposit and Credit Insurance:** Nature, terms and conditions, claim, recovery etc. public liability insurance, emergency risk insurance.

**Insurance Surveyorship:** Appointment, Legal Provisions and licensing, functions. Application of Management concepts in Insurance, Marketing of Insurance Policies, Insurance and Information technology.

#### **Recommended Readings:**

1. Banking Theory Law and Practice, Sundaram and Varshney, Sultan Chand and Sons Publisher, year: 2004 Edition
2. Managing Indian Banks: Challenging Ahead, Vasant C Joshi & Vinay V Joshi, Sage Publications, 2e.
3. Money Banking and International Trade, KPM Sundharam, Sultan Chand and Sons, 2002.
4. Financial Institutions and Markets, LM Bhole Tata McGraw Hill, 2004, 4th Edition
5. Niehaus, Harrington (2007), Risk Management and Insurance, Tata McGraw-Hill
6. Financial Institutions and Markets, Meir Kohn - Tata McGraw Hill, 1996.
7. Management of Indian Financial Institutions, R M Srivastava Himalaya Publishing.
8. N.M. Misra Insurance Principles & Practice
9. O.S. Gupta Life Insurance (Frank Brothers, New Delhi)

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSS -2096**

**SEMINAR BASED ON TERM PAPER**

**Course Outcomes**

Students will be able to –

CO1: develop strong communication and presentation skills..

CO2: develop the skills that will help in enhancing and shaping their thoughts and creativity.

CO3: improve their conceptual knowledge and develop critically thinking.

Post Graduate Diploma in Financial Services (Banking & Insurance) (Semester-II)

**Session2018-19**

**Course Code: PFSS -2096**

**SEMINAR BASED ON TERM PAPER**

**Maximum Marks: 50**

The topics for the seminar will be discussed with the students in the class.