

ACHARYA NAGARJUNA UNIVERSITY

CENTRE FOR DISTANCE EDUCATION

NAGARJUNA NAGAR,

GUNTUR

ANDHRA PRADESH



PROGRAM PROJECT

REPORT

13. MASTER OF COMMERCE

(BANKING)

Master of Commerce (Banking)

PROGRAMME CODE: 13

MISSION: M.Com is one of the most sought after career oriented professional programs offered at the master's level. M.Com degree opens up innumerable career options and opportunities to the aspiring managers both in India and abroad. M.Com program also prepares one to start a business of his/ her own in the capacity of an entrepreneur.

OBJECTIVES: To prepare the students to exploit opportunities being newly created in the accounting & banking field and to provide adequate basic understanding about accounting, finance, banking & financial services. Further to provide adequate exposure in the operational environment of accounting & finance.

RELEVANCE: The Master of Commerce (Banking) programme offered through Open and Distance Learning mode is purely relevant and aligned with the goals and mission of CDE, ANU. This programme is designed to empower the student with very intrinsic procedures adopted by the commerce, industry, trade and business in India with most relevant subjects like GST added as add on course. Hence, the vision and mission of ANU to transform the students as industry ready is thereby adopted.

NATURE OF PERSPECTIVE TARGET GROUP OF LEARNERS: Aim of open and distance education is to enhance the academic competence in those who were deprived of higher education for various socio-economic reasons. This programme is designed for candidates to provide quality education at affordable cost to larger sections of population by facilitating the reach of education to the doorsteps of people living in remote and far-flung areas. This program is useful for career advancement, improving skills, upgrading the qualification, add on course etc. The target group of this program also includes persons who are employed and who have not time to attend class on regular days. For acquiring new skills for employees in a shorter span of time.

Working professionals can benefit immensely from distance M.Com course.

SKILLS AND COMPETENCE OF THE PROGRAMME: Inconsideration of the huge gap in education and industry and also in skill development now it is imperative on the part of every university to reach out every nook and corner of the country where the institutions with significant infrastructure are not available in order to elevate the status of the marginalised sections of the society especially living in rural areas of the country. The only solution appears to be "open and distance education" and Acharya Nagarjuna University takes initiative by reaching out those unreached by ICT enabled blended mode of distance learning programmes. M.Com. (Banking) programme is an innovative programme. The learning outcomes of this programme are as follows:

- Professional development of teachers.
- Incorporating generic transferrable skills and competencies
- To develop critical learning, analytical skills and research skills.

M.Com (Banking) - Program code: 13**Program Structure**

Course code	Course	Internal assessment	External exams	Max. Marks	credits
Semester - 1					
101CO21	Perspectives of Management	30	70	100	4
102CO21	Business Environment	30	70	100	4
103CO21	Marketing Management-I	30	70	100	4
104CO21	Financial Management-I	30	70	100	4
105CO21	Human Resource Management-I	30	70	100	4
106CO21	Financial Accounting and Packages	30	70	100	4
Semester – 2					
211CO21	Central Banking and Development Banking	30	70	100	4
202CO21	Marketing Management-II	30	70	100	4
213CO21	Business Statistics	30	70	100	4
204CO21	Human Resource Management-II	30	70	100	4
205CO21	Advanced Financial Accounting	30	70	100	4
206CO21	Research Methodology	30	70	100	4
Semester – 3					
311CO21	International Banking	30	70	100	4
312CO21	International Financial Markets and Services	30	70	100	4
313CO21	Insurance and Risk Management	30	70	100	4
304CO21	Financial Reporting	30	70	100	4
315CO21	Entrepreneurship Development	30	70	100	4
316CO21	Finance of foreign Trade	30	70	100	4
Semester – 4					
411CO21	Banking Law and Practices	30	70	100	4
412CO21	Portfolio Management	30	70	100	4
413CO21	Banking and Technology	30	70	100	4
414CO21	Bank Management	30	70	100	4
415CO21	Business Correspondence and Report Writing	30	70	100	4
416CO21	General Insurance Products and Management	30	70	100	4

M.COM: BANKING

Syllabus

SEMESTER-I

101CO21: Perspectives of Management

1. **Introduction** : Concept of Management: Definition – Nature – Purpose – Scope and Significance – Management Vs. Administration- Universality of Management Principles – Evolution of Management thought – Approaches to Management – Process of Management – Internal and External environment Forces – Functions of Management.
2. **Planning**: Concept and Significance – Types of Plans – Objectives – Management by objectives, by exception, by crisis - Strategies – Policies – Procedures – Rules – Programmes- Planning Premises. Decision Making: Decision Making Process – Decision Tree Analysis– Linear Programming – Game Theory.
3. **Organizing** : Nature and Purpose – Principles of organisation: formal and informal organisation- span of control – Hierarchy - Authority and responsibility – Delegation of authority –centralization – decentralization – Line and Staff conflict and cooperation – Plural executive – Committees – Board of Directors. Staffing: The Nature and purpose of staffing - Recruitment – Selection – Placement and Promotion – training – Executive development programmes.
4. **Direction**: Elements of Directing – Communication – Importance Process – Media – barriers to communication: Effective communication – Motivation and importance in management- Leadership.
5. **Control**: Process of Control – Reporting system for Control- Modern Control Techniques – PERT and CPM Indian Management Scenario: Business Class in India – Management Development in India- Social responsibilities of business and managers role.

FURTHER READINGS:

1. Harold Koontz & Heinz Weihrich : Management
2. Peter F. Drucker : Practice of Management
3. L A. Alien : Management and Organisation
4. Newman & Summer : The Process of Management
5. Black & Moulton : Managerial Grid
6. A. Das Gupta : Business & Management in India
7. Sahru S. Rangneker : In the Wonderland of Indian Managers
8. Prasad. Lallan & S.S. Guhan : Management principles and Practice
9. M. Benarjee : Modern Management
10. Sherlekar & Sherlekar : Principles of Business Management

102CO21: Business Environment

1. Economic and Social Environment: Economic Environment of Business Socio-Cultural and Political Legal Environment Changing Role of Government.
2. Structure of the Indian Economy: Structural Dimensions of Indian Economy Structure of Indian Industry Public Sector in India Private Sector in India Small sector in India Sickness in Indian Industry.
3. Planning and Policies: Planning Goals and Strategies Evolution of Industrial Policy Regulatory and Promotional Framework.
4. External Sector: Indian Foreign Trade India's Balance of payment Export and Import Policy Foreign Capital and Collaborations India's External Debt.
5. Economic Reforms since 1991: Industrial Policy of 1991 Economic Reforms; Liberalization, Globalization and Privatization Financial Sector Reforms Fiscal Sector Reforms Economic Reforms and Social Justice.

FURTHER READINGS:

1. Agarwala ANN, 1986 Emergent Dimensions in India Environment, Asia Publishing House, Delhi.
2. Government of India Economic Survey, (Latest Issue)
3. Wadhwa, Charan D, 1984 Some Problems of India's Economic Policy, TMH, ND
4. Khan M.Y, 1980 Indian Financial Systems; Theory and Practice
5. K.V. Sivayya & V.B.M. Das Indian Industrial Economy
6. M. Adhikar Economic Environment & Business Environment
7. A. Das Gupta & N.K. Sen Gupta Government and Business
8. D. Amarchand Government and Business.

103CO21: Marketing Management-I

1. **FOUNDATIONS OF MARKETING:** Marketing Concept –The Marketing Orientation Vs production orientation – Production concept – Selling concept – societal dimensions of Marketing – The marketing concept as applied to Marketing Management. Marketing and Social Responsibility: Social pressures on marketing.
2. **MARKETING ENVIRONMENT:** Company's – Micro Environment: Company – suppliers –Intermediaries – customers – competitors and Publics – Marketing organisation and Interface with other departments in a Company Company's Macro Environment (with special reference to India)
3. **ANALYSIS OF THE MARKET PLACE:** Marketing Planning – Strategic Marketing Planning – Product Portfolio – Analysis – Investment opportunity chart – PIMS Analysis – Competitive Strategies: Market leader, challenger, follower, niche strategies Components of marketing plan – Marketing budget – market segmentation.
4. **UNDERSTANDING THE CONSUMER:** Consumer Behaviour – Determinants : Social – Cultural – Group Factors – Psychological factors – Consumer Behaviour Models: Marshallian – Freudian – Pavlovian – Vilonia – Howard – Sheth – Consumer decision-making : Dimensions – problems – Pre-purchase and post-purchase behaviour
5. **PRODUCT CONCEPT AND STRATEGY:** Concept of product – concept of augmented product – Product-Mix Strategy: Dimensions – Product-line decisions – Product Life Cycle (PLC). Introducing new Products: Pressures – Problems – Product Planning process Managing Existing products.

FURTHER READINGS:

1. Gandhi J.C. "Marketing – A Managerial Introduction" Tata McGraw – Hill Publishing Co. Ltd., New Delhi, 1989.
2. Stantor, J. William and Futrell, Charles "Fundamentals of Marketing "(8th Edn.) McGraw Hill International Editions, 1987.
3. Kotler, Philip "Principles of Marketing" (3rd Edn.) Prentice hall of India Pvt. Ltd, New Delhi, 1987.
4. Mandell, I. Maurice and Rosenberg , J. Larry "Marketing (2nd Edn) Prentice Hall of India, New Delhi, 1987.
5. Amarchand D. and Varadharajan B. "An Introduction to Marketing" Vikas Publishing House Pvt Ltd, New Delhi, 1986.
6. Jha and Shah "Marketing Management in Indian Perspective" Himalaya Publishing House, New Delhi, 1986.
7. Taylor, Jr., L. Jack and Robb, F. James "Fundamentals of Marketing: Additional Dimensions" (Selections from the Literature) (2nd Edn) Tata McGraw Hill Publishing Company Pvt. Ltd,

104CO21: Financial Management-I

1. **Introduction to Financial Management:** Financial Management an Overview Methods of Raising finance Sources of raising finance.
2. **Financial and Investment Analysis:** Ratio Analysis Leverage Analysis Budgeting and Budgetary Control Investment Appraisal Methods.
3. **Financial Flows and Forecasting:** Cash Flow & Funds Flow Analysis Cost-Volume Profit Analysis Financial Forecasting (including Cash Budget).
4. **Capital Structure Decisions:** Capital Structure Theories Cost of Capital Requirements Management of Cash and Receivables Management of Inventory.

FURTHER READINGS:

1. Financial Management and Policy James C. Van Home
2. Financial Management: Theory and Practices Prasanna Chandra
3. The Theory of Financial Management Solomon Ezra
4. Financial Management I.M. Pandey
5. Principles of Corporate Finance Richard A Brealey et. Al
6. Cases in Financial Management M.Y. Khan & Jain
7. Techniques if Financial Analysis E.A. Hifer
8. Financial Management P. Brockington
9. Managerial Finance Weston & Brighan

105CO21: Human Resource Management-I

1. **Human Resource Management** : Concept – Scope – Legacy – Objectives – Principles – Policies – Procedures – Programmes – Internal and external Environment that effect HRM Programmes – Organisation of Human Resource Department.
2. **Job Analysis and Design**: Concepts – Need – Methods and Procedures – Job Analysis: Job description, Job specifications – Job design and job enrichment.
3. **Human resources planning**: Importance – forecasting demand and supply of employees in the organisation – forecasting techniques – skill – inventory and replacement chart.
4. **Recruitment**: Concept – Policy – external influences on recruitment – sources of recruitment – Methods of recruitment – recruitment practices in India.
5. **Selection, Placement, Induction and Orientation**: Concepts – Selection criteria – Steps in selection process – Selection tools – Application blank – Psychological tests – Interviewing – Reference checks – Physical Examination – Placement – Induction – Orientation.
6. **Performance Appraisal**: Concept – Evaluation Techniques - Communication and Counseling
7. **Training and Development**: Concepts – Objectives – Needs – Policies – Methods – Employee learning – Managerial Development – Evaluation of training Programmes – Career Planning.
8. **Promotion** – Concept – Demotions – Transfers – Separations – Management Inventory.

FURTHER READINGS:

1. Sharma, N. Baladev, R. Not: Bread alone, Shri Ram Centre for Industrial Relations and Human Resources, New Delhi, 1987.
2. Monappa, Arun and Saiyadain, M.S: Personnel Management, New Delhi, Tata McGraw Hill, 1981.
3. Parekek Udai and Rao, T.V:Designing and Managing Human Resources Systems, New Delhi, Oxford and IBH, 1981.
4. De, R.Nitrish,: Alternative Designs of Human Organisations, Sage Publications, New Delhi, 1984.

106CO21: Financial Accounting and Packages

1. **Introduction-** Theory and transactions- Law of equality in assets and equities.
2. **Double entry system** – rules of double entry book keeping –subsidiary books – ledger – trial balance.
3. **Cash book** – single column cashbook – Double column cash book- triple column cash book –petty cash book.
4. **Bills of exchange-** accommodation of bills- discounting of bills.
5. **Rectification of errors-** bank reconciliation statement transfer from petty cash account- capital and revenue items differed revenue items.
6. **Preparation of financial accounts** – manufacturing account – trading account – profit and loss account – balance sheet treatment of outstanding and prepared expenses – methods of depreciation- treatment of bad –debts.
7. **Single entry system-** principle- preparation of accounts conversion into double entry systems.
8. **Partnership accounts-** principles of partnership business – appropriations and capital accounts- admission- retirement-death-dissolution.
9. **Company accounts-** accounting for share capital- debentures.

FURTHER READINGS:

1. Shukla and Grewel, Advanced accountancy S. Chand & Co, New Delhi.
2. Gupta and Radha swamy, Advanced Accountancy Vol.1& 11 Sultan chand & Sons, New Delhi.

SEMESTER-II

211CO21: Central Banking and Development Banking

Central Banking And Development Banking: Central Banks: Origin, growth, objectives,. Techniques and functions Central Banks in developed and under developed countries Structure and organisation of central banks in USA., UK and India. Reserve Bank of India Nationalization Organisation and Management Functions Regulating currency Control of Credit -Bank rate Open market operations

RBI and the Banking system: RBI and bill market scheme. Monetary policy Objectives and instruments of monetary policy. Monetary policy and economic growth Monetary policy in under developed economics. Monetary policy and RBI Chakravarthy Committee Recommendations.

Money Market in India : Structure and Composition and its importance Working group on money market and its recommendations Discount and Finance house of India Limited Capital market and money market Capital market before and after independence Recent trends

Development Banking: Development Banks Origin, Growth, Objectives Scope and Functions Need for development banks Development banks in developed and under developed economies.

Industrial financing in India: Different sources Role of development banks in industrial growth in. India Management and organizational set up of development banks resource planning in development banks Resource mobilization by development banks Project evaluation by development banks and promotional role of development banks. Development and Information Company Ltd., (TDICL) Shipping Credit and Investment Company Ltd., Credit Rating Agency of India Ltd. (IICRA) OTC Exchange of India (OTCEI).

FURTHER READINGS:

1. M.H. De Kock : Central Banking
2. Pandikar S.G. : Banking in India, Bombay 1975
3. S.K. Basu : Central Banking in Emerging Countries
4. C.R. Basu : Central Banking in a planned economy.
5. L.V. Chandler : Central Banking and the India experiment Tata Mc. Graw Hill Publishing Company, Delhi 1977.
6. J.C. Frorde Economic Development The federal reserve system
7. R.S. Savers American Banking System
8. Vasanth Desai Development Banks Issues and operations
9. M.Y. Khan Indian Financial Systems
10. R.M. Srivasthava Management of Financial Institutions in India

202CO21: Marketing Management-II

1. **PRICING AND PRICING STRATEGIES:** Concept – Importance – Objectives – Factors influencing Pricing strategies and policies: Geographic pricing – Skimming and penetration pricing – Unit pricing – Price line – Resale price maintenance – Leader presiding – Psychological pricing – Price Vs. Non-price competition.
2. **PLACING PRODUCTS:** Marketing Channels: Nature – Functions – Levels – Types of Channel flows – Channel behaviour – Channel design decisions – Channel management – Channel conflict decisions.
3. **PROMOTION PRODUCTS:** Advertising: Objectives setting – Budget Decision – Message decision Advertising evolution – Sales Promotion: Decisions in Sales Promotion – Sales promotions tools – pre-testing. – Publicity: Objectives – Decisions – Evolution – Personal Selling.
4. **MARKETING CONTROL:** Marketing Control : Annual Plan control – Strategic control – Profitability control – Marketing audit – Assessing information needs – Developing information needs – Marketing intelligence – Information systems – Marketing Research – Distinction with marketing assessments.
5. **MARKETING IN NON-BUSINESS ORGANISATIONS:** Nature – Scope – Non-Business attitudes towards marketing – Role of marketing in service sector – Organisation Marketing – Place marketing – Person marketing – Idea marketing.

FURTHER READINGS:

1. Gandhi J.C. “Marketing – A Managerial Introduction” Tata McGraw – Hill Publishing Co. Ltd., New Delhi, 1989.
2. Stantor, J. William and Futrell, Charles “Fundamentals of Marketing “ (8th Edn.) McGraw Hill International Editions, 1987.
3. Kotler, Philip “Principles of Marketing” (3rd Edn.) Prentice hall of India Pvt. Ltd, New Delhi, 1987.
4. Mandell, I. Maurice and Rosenberg, J. Larry “Marketing (2nd Edn) Prentice Hall of India, New Delhi, 1987.
5. Amarchand D. and Varadharajan B. “An Introduction to Marketing” Vikas Publishing House Pvt Ltd, New Delhi, 1986.
6. Jha and Shah “Marketing Management in Indian Perspective” Himalaya Publishing House, New Delhi, 1986.
7. Taylor, Jr., L. Jack and Robb, F. James “Fundamentals of Marketing: Additional Dimensions” (Selections from the Literature) (2nd Edn) Tata McGraw Hill Publishing Company Pvt. Ltd, New Delhi, 1978.
8. Britt, Steuart Handerson and Boyd, Jr. Harper. W. “Marketing Management and Administrative Action” (4th Edn.) McGraw Hill Kogakuso Ltd., International Student Edn. 1978.

213CO21: Business Statistics

1. **Introduction-** Need for Information in decision making- Data sources – Primary Vs Secondary data – Research procedure.
2. **Data collection methods-** observation –Questionnaire –In. terviews – Experiments.
3. **Data analysis techniques** – percentages – rations – Averages – Mean Mode – Median – Quartiles – range – Standard deviaion – Index numbers.
4. **Data representation** – Tables – Graphs – Diagrams.
5. **Correlation** – Karl pearsons’ coefficient – spearmen’s rank correlation.
6. **Regression** – Least square method – regression coefficients.
7. **Time series** – Estimation of trend values.
8. **Interpolation-** Newton’s and Lagrange methods.
9. **Testing of Hypothesis** – Hypothesis formulation – Chi-square-t –test- z-test- Analysis of variance.
10. **Elements of probability** – Laws of probability- Baye’s rule and their application.
11. **Research report writing.**

FURTHER READINGS:

1. D.N. Elhance : Fundamental of Statistics, Kitad Mahal, Allahabad.
2. Gupta S.C : Fundamentals of Business statistics, Sultan Chand, New Delhi.

204CO21: Human Resource Management-II

1. **Compensation:** Concept – Policies – Methods of wage payments and incentives – Employees benefits and service.
2. **Motivation:** Concept – Theories – Job satisfaction – Employees' participation and decision effectiveness.
3. **Conservative Concept:** Physical conservation Employees safety and health – Mental conservative Grievance settlement procedures – Discipline – Disciplinary proceedings Domestic enquiry – absenteeism – Turnover.
4. **Industrial relations at enterprise level:** Meaning of collective bargaining – Administering the contract – Union – Management cooperation.
5. **Human Resources Development:** Concept – Nature – Scope elements – Attitudes – Skills and skill development
6. **Methods of Human Resources development :** Potential appraisal – Individual and group coaching – Quality circles – lecture method – correspondence method – Programmed learning – binary storming – panel discussions – syndicate method – business games – Sensitivity training – T-Group training – Encounter groups – Behaviour modification – Role playing – Transactional analysis – 3.D Management.
7. **Human Resources Development Practices in India:** agencies / Institution involved in HRD – Programmes – Evaluation of HRD future and prospective of the HRD.

FURTHER READINGS:

1. Sharma, N. Baladev, R. Not: Bread alone, Shri Ram Centre for Industrial Relations and Human Resources, New Delhi, 1987.
2. Monappa, Arun and Saiyadain, M.S: Personnel Management, New Delhi, Tata McGraw Hill, 1981.
3. Parekek Udai and Rao, T.V: Designing and Managing Human Resources Systems, New Delhi, Oxford and IBH, 1981.
4. De, R.Nitish, Alternative Designs of Human Organisations, Sage Publications, New Delhi, 1984.

205CO21: Advanced Financial Accounting

1. **Financial Accounting** – Objectives and Scope – Role of Financial Advisor – Analysis and Interpretation of Financial Statements Statement of Changes in Financial Position (SCFP) Ratio Analysis.
2. **Valuation of Shares** - Need for Share Valuation Methods of Valuation Net Asset Method Yield Method Impact of earnings Growth on share Valuation Role of Fundamental Analysis and Technical Analysis in share Valuation.
3. **Valuation of Goodwill** - Factors affecting Goodwill Types of Goodwill Need for Goodwill Valuation Methods of Goodwill Valuation: Average Method Super-Profit Method Annuity Method Reconstruction External and Internal Reconstruction Alternation of Share Capital Reduction Legal Provisions.
4. **Accounts of Group Companies** - Reciprocal Stock Holdings Inter-Company transactions Preparation of Consolidated Accounts Minority interest Cost of Control of Goodwill Treatment of Unrealized Profit Treatment of dividend Consolidated Balance Sheet.
5. **Financial Reporting** - Concept Objectives Types of Financial Reporting Concept of Adequate Disclosure Benefits of Adequate Disclosure Investor's attitude towards Disclosure Management attitude towards Disclosure Recent Trends in Published Accounts Performance Highlights Value added Statements Inflation Adjusted Statements Human Resource Accounts Social Balance Sheet.

FURTHER READINGS:

1. R.L. Gupta and Radhaswamy Advanced Accounting Chakraborty Advanced Accounts
2. W. Hawkins Financial Reporting Dr. D. Prabhakar Rao Human Resource Accounting

206CO21: Research Methodology

1. **Introduction to Research Methodology:** Importance of Research in Decision Making Defining Research Problem and Formulation of Hypothesis Experimental Designs.
2. **Data Collection And Measurement:** Methods and Techniques of Data Collection Sampling and Sampling Designs attitude Measurement and scales.
3. **Data Presentation and Analysis:** Data Processing Statistical Analysis and Interpretation of Data Non-Parametric Tests Multivariate Analysis of Data Model Building and Decision Making.
4. **Report Writing and Presentation:** Substance of Reports Report Writing and Presentation of Report.

FURTHER READINGS:

1. Brown, F.E., Marketing Research, a Structure for decision making, Addison Werley Publishing Company.
2. Kothari, C.R., Research Methodology Methods and Techniques, Wiley Eastern Ltd.
3. Mustafi, C.K., Statistical Methods in Managerial Decisions, Macmillan , New Delhi.
4. Luck, D.J. et.al., Marketing Research, Prentice Hall (India), New Delhi.
5. Shenoy.G.V and Pant Madam, Statistical Methods in Business and Social Sciences, Macmillan India Ltd, New Delhi.
6. Golen, P. Steven., Report Writing for Business and Industry, Business Communication Service.
7. Gallagher, J. William, Report Writing for Management, Addison Wesley.

SEMESTER-III
311CO21: International Banking

1. **Introduction-** Concept of Money Market, Developed and Less developed Money, Market, their Characteristics & Importance. English Banking System – Bank of England, Origin and Growth, Organizational. Structure, Functions, Monetary Policy, Commercial Banking System
2. **Federal Reserve System-** Origin, Organizational Structure and Working, Commercial Banking in USA, Unit Banking and Branch Banking and Factors for its Growth in USA, New York Money Market.
3. **European Monetary Union-** European Central Bank, Organization Structure and Functions. Bank of Japan- Structure and Working, Commercial Banking system of Japan, Industrial Banking in Japan.
4. **Indian Banking -** Reserve Bank of India- Functions, Monetary and Credit Policy And Evaluation, Achievements and Failures of R.B.I, Indian Money Market, Constituents, Characteristics, Defects and Measures, Banking Reforms in India. NABARD
5. **International Financial Institutions-** I.M.F. and I.B.R.D, I.D.A, IFC, BRICS- New Development Bank.

FURTHER READINGS:

1. Sayers R.S. – Modern Banking
2. Basu S.K. – Contemporary Banking Trends.
3. Saxena K.B. – International Banking: Banking Theory and Principal Banking Systems (Hindi)
4. Machenize K. – Banking Systems of Great Britain, French, Germany and U.S.A.
5. Goswami V.K. – International Banking

312CO21: International Financial Markets and Services

1. **Introduction to International Financial System** : International Monetary System: Features and requirements; System of exchanging currencies – From Bretton Woods system to free float and convertibility; Pegging of currencies – target zone arrangement; European monetary system; International liquidity.
2. **Foreign Exchange Markets and its Activities**: Exchange rate quotations and practices; Foreign exchange market activities; Arbitrating, hedging and speculation.
3. **Exchange Rate Determination**: Exchange rate determination in spot and forward market – Interest rate parity (IRP), purchasing power parity, Fisher open equation Monetary and portfolio balance approaches; Short run demand and supply theory, BOP theory, and growth theory; Forecasting exchange rate.
4. **International Financial Markets and Instruments**: Changing scenario; International capital and money market instruments; International development banking; Euro – currency markets; International securities markets and instruments -Bond and notes market; equity market, GDR, ADR, EDR and IDR; Integration of financial markets and approach; Role of financial intermediaries; Financial swaps.
5. **International Debt Problem**: Problem of debt servicing and developing countries (with special reference to India).

FURTHER READINGS:

1. Apte, P. G., Multinational Financial Management, Tata -McGraw Hill, New Delhi, 1998.
2. Baker, J.C., International Finance: Management, Markets and Institutions, Prentice Hall, Englewood Cliffs, 1998.
3. Eiteman, David K., Arthur Stone -hill and Michael H. Moffett, Multinational Business Finance, Addison-Wesley Publishing Company, Reading Mass. 1998.
4. Levi, Maurice, International Finance, McGraw Hill Inc., New York, 1996.
5. Seth, A.K., International Financial Management, Galgotia Publishing Company, New Delhi, 2000.
6. Shapiro, Allen C., Multinational Financial Management, Prentice Hall India Pvt Ltd., New Delhi, 1995.
7. Sharan, V., International Financial Management, Prentice Hall of India Private Ltd. New Delhi 2000.

313CO21: Insurance and Risk Management

Introduction : Concept of Risk, Risk Vs uncertainty, types risks, Methods of handling poor risk, definition of risk management, Risk management objectives – Risk management by individuals, Corporate Risk Management,

Insurance : Definition, Causes and benefits of insurance, elements of an insurable risk, principles of insurance, kinds of insurance – Mathematical basis of insurance : Probability and its use in insurance – dual applications of law of large numbers, pooling in insurance, theories of risk management, classical theory and modern theory – Globalization of insurance and its impact in India.

Indian Insurance Industry : Insurance sector reforms, liberalization of insurance markets, Insurance players in India, Regulation of Insurance Business in India, Legal frame work, Insurance contracts, Registration and License – Accounting Principles and Taxation Aspects of Insurance

Management of Insurance Companies : Types of Insurance Organizations, Organizational structure of insurance companies, Functions of Insurers – Product Design and Developments : Product Development Process, Product Design in Emerging scenario – Underwriting : Objectives and Principles of Underwriting, Underwriting in non-life Insurance Business – Claims Management: Claims Settlements in General Insurance and in Life Insurance

Insurance Pricing: Fundamentals of Insurance Pricing, Pricing objectives, Types of Rating, Life Insurance Vs. Non-life Insurance Pricing, Rate Making Entities Insurance Intermediaries and Distribution: Distribution of Insurance Products, Insurance Intermediaries and their Functioning, Surveyors and Loss Assessors, Third Party Administrators, Agents, Brokers, Corporate Agents, Bank assurance.

Reinsurance: Role of reinsurance, Techniques of Reinsurance, Nature of Reinsurance Risks, Reinsurance in Indian Perspective

FURTHER READINGS:

1. Dr. P.K. Gupta : Insurance and Risk Management, Himalaya Publishing House, (Rs.275)

304CO21: FINANCIAL REPORTING

UNIT – I: Corporate Financial Reporting – Issues and problems with special reference to published financial statements

UNIT – II: Accounting for Corporate Restructuring (including inter – company holdings)

UNIT – III: Consolidated Financial Statements of Group Companies - Concepts of a Group, purposes of consolidated financial statements, minority interest, Goodwill, Consolidation procedures – minority interests, Goodwill, Treatment of pre-acquisition and post-acquisition profit.

UNIT – IV: Consolidation with two or more subsidiaries, consolidation with foreign subsidiaries, consolidated profit and loss account, balance sheet and cash flow statement.

UNIT – V: Accounting and Reporting of Financial Instruments – Meaning, recognition, De-recognition and offset, compound financial instruments – Measurement of Financial instruments.

FURTHER READINGS:

1. RSN Pillai, Bagarathi & s. uma, Fundamentals of Advanced Accounting, Vol. 1, S.Chand, New Delhi.
2. Nehru J. Financial Reporting by diversified companies vision Books, New Delhi.
3. Hawkins David Financial Statements corporations Dow Jones- Irwin Homewood 1973.

315CO21: Entrepreneurship Development

1. **Entrepreneurship:** Meaning – Types of Entrepreneurs – Qualities – Psychological factors in Entrepreneurship – Factors – influencing the birth of Entrepreneurs
2. **Entrepreneurial support systems** – Government Policies and measures towards promotion of entrepreneurship – Central and State Government – Industrial Estates, District Industries Centres – Locational assistance – provision of infrastructural facilities – Supply of machinery on hire purchase Technical assistance – Assistance for raw materials – Financial Assistance through SFCs, Commercial Banks, APIDC - APSSIC, IFCI, ICICI – Marketing assistance – Of ancillary industries- Location of industries in Backward areas – Tax concessions.
3. **Establishing a new project** – Defining the project – Product identification – Market and demand analysis – Demand forecasting Technical Analysis – Location – size, production technology – equipment – layout of site.
4. **Economic analysis** – Cost estimation – Production costs – Break – even analysis – Project cost report – Investment analysis – Sources of finance for project – Bankers view of financing.
5. **Project report** – Principles and techniques.

FURTHER READINGS:

1. S V.S Sarma et. al. Developing Entrepreneurship – Issues and problems, small industry Extension Training Institute, Hyderabad.
2. S.B. Srivastava, A Practical Guide to Industrial Entrepreneurs, Sultana Chand & Sons, New Delhi.

316CO21: Finance of Foreign Trade

1. Foreign Trade: Meaning, Commercial terms used in the delivery of goods and for payments.
2. Balance of trade, balance of payment Role of RBI in financing of foreign trade Role of banks in foreign trade.
3. Methods of international settlements through banks Protection against risk in foreign trade Role of ECGC.
4. Exchange Rates: basic concepts types of exchange rates calculation of exchange rates exchange rate determination Theories, problems on exchange rate.
5. Exchange control and regulation: Foreign Exchange Regulation Act, 1973 Exchange arithmetic - Nostro and Vostro accounts Spot and forward deals for the purchase and sales of foreign currencies.

FURTHER READINGS:

1. VadilalDagh India's Foreign Trade Jouav Such Foreign Trade and Economic development of under developed countries.
2. Lall G.S. Financing of foreign trade and exchange
3. NCAER Export strategy for India
4. Jeevanadam Foreign exchange
5. Jeevanadam Foreign exchange arithmetic

SEMESTER-IV

411CO21: Banking Law and Practice

1. **Legal Aspects of Banking Operations:** Responsibility of Paying and Collecting Banker Indemnities or Guarantees - Scope and Application – Obligations of a Banker - Precautions and Rights - Laws relating to Bill Finance, LC and Deferred Payments - Laws Relating to Securities - Valuation of Securities
2. **Banking Related Laws:** Law of Limitation - Provisions of Bankers Book Evidence Act - Special Features of Recovery of Debts Due to Banks and Financial Institutions Act,
3. **Banker - Customer Relations:** The legal relationship between the Banker and Customer, the Multifarious Transactions between them and the Rights and Duties of the Parties.
4. **Law, Practice and Policies** governing the employment of the funds in the hands of the banker with special reference to the lending banker State Policy on Loans and Advances - Priority sector advances and socioeconomic policies.
5. **Ethics and Corporate Governance in Banks** - Ethics and Business, Corporate Governance, Corporate Social Responsibility, Governance in Financial Sector.

FURTHER READINGS:

1. M.L. Tannan, revised by : Banking Law and Practice, Wadhwa & Company, Nagpur
C.R. Datta & S.K. Kataria
2. A.B. Srivastava and : Seth's Banking Law, Law Publisher's India (P) Limited K. Elumalai
3. R.K. Gupta : BANKING Law and Practice in 3 Vols. Modern Law Publications.
4. Prof. Clifford Gomez : Banking and Finance - Theory, Law and Practice, PHI Learning Private Limited
5. J.M. Holden : The Law and Practice of Banking, Universal Law Publishing.

412CO21: Portfolio Management

1. **The investment process, milestones portfolio management, Investment objectives and constraints of the different groups of investors:** Private investors, Pension funds, Insurance companies, Foundations and endowments, Banks
2. **Assessment of market expectations:** The analytical process, Limitations of economic data and analysis methods, Psychological Traps, Basic model group, Economic analysis and market forecasts
3. **Portfolio Analysis and Selection :** Portfolio Return and Portfolio Risk – Modern Portfolio Theory : Markowitz Theory –William Sharpe's Single Index Model– Capital Asset Pricing Model(CAPM)–Arbitrage Pricing Theory(APT)–Efficient Market Hypothesis(EMH).
4. **Portfolio Evaluation & Revision:** Methods of Portfolio Evaluation–Sharpe's, Treynor's and Jensen's measures of portfolio performance evaluation- Fama's decomposition of portfolio-Return–Portfolio Revision: Need, Constraints, Strategies.
5. **Managing a portfolio of stocks:** Active and passive management of a portfolio of stocks, Equity Indices, Tools passive investing, Investment Styles, Analysis of investment styles based on portfolio and income, A market-neutral investment.

FURTHER READINGS:

1. S.K. Barua, V. Raghunathan and J.R. Varma Portfolio Management
2. Donald E. Fischer and Ronald Security Analysis and Portfolio J.Jordan Management
3. J.C. Francis Investments: Analysis and Management
4. R.J.Fuller and J.L. Farrel Modern Investments and Security analysis
5. E.J. Elton and M.J. Gruber Modern Portfolio and Investment Analysis
6. John L. Maginn, CFA (Editor), Donald L. Tuttle, CFA (Editor), Dennis W. McLeavey, CFA (Editor), Jerald E. Pinto, CFA (Editor). Managing Investment Portfolios: A Dynamic Process. 3rd Edition. April 2007.
7. Dan Nevins. Goals-based Investing: Integrating Traditional and Behavioral Finance». By SEI, October 2003.
8. Sharpe, William. 1992. Asset Allocation, Management Style and Performance Measurement. Journal of Portfolio Management. Vol. 18, No. 2: 7–19.

413CO21: Banking and Technology

1. **IT in Banking:** Information Technology and its implications – Information Technology– Indian Banking Scenario – Initiatives and Trends.
2. **Applications in Banking:** Computer based information System for Banking and Electronic Banking, Electronic Fund Management.
3. **Enabling Technologies of Modern Banking:** Electronic Commerce and Banking – Customer Relationship Management – Integrated Communication Networks for Banks
4. **Security and Control Systems:** Computer Security and Disaster Management System - Audit and Computer Crime – Security and Control Aspects of Emerging Banking Technologies.
5. **Planning and Implementation of Information System:** Security and Control Aspects of Emerging Banking Technologies – Data Warehousing and Data Mining – Designing and Implementing Computerization in Banking Sector.

FURTHER READINGS:

1. Hawtrey, The art of Central Banking, Augustus M Kelley Publishers, 1970, New York.
2. Vasant Desai, Indian Banking – Nature and Problems, Himalaya Publishing House, Mumbai.
3. Khan M.Y – Indian Financial System, Tata Mc.Graw Hill Publishing Company Limited, New Delhi, 2004
4. R.G.Murdick J.E. Ross and J.R Clagget, Information Systems for Modern Management, PHI
5. Charlie Kaurman, Radha Periman and Mike Dpeciner, Network Security, Private Communication a Public World, Pearson/PHI.
6. Steve Hedley, Statutes on IT & E-Commerce, Oxford University Press.

414CO21: Bank Management

1. **Nature of Banking Business:** official regulation and control over banks in India: Banking Regulation Act, 1949, Reserve Bank of India Act, 1934, banking companies Act, 1970.
2. **Forms of Banking:** Branch Banking, Unit Banking, Group Banking, Chain Banking, Business, Correspondent Banking. Process of Bank Management; Branch location policies and decisions, organizational Structure of Commercial Banks in India
3. **Bank Balance Sheet:** Management of Assets and Liabilities in banks – Profit, Profitability and Productivity in banks – Management of large sized branches and rural branches. Internal control and Performance budgeting system – Management Information system Income Recognition and asset classification Norms.
4. **Human Resource Development in Banks:** Manpower Planning, Recruitment, Training, Promotion, Motivation, Bank Marketing: Product Planning and Development. Computerization of Banks: Need, application, progress, problems.
5. **E-Banking** – Aspects of E-Banking – Traditional Vs. E-Banking Models – Advantages and constraints – Security Methods – Risk Management – Outsourcing E-Banking – Legal and Regulatory Compliance.

FURTHER READINGS:

- 1) Hawtrey, The art of Central Banking, Sugustus M Kelley Publishers, 1970, New York.
- 2) Narendra Kumar, Bank Nationalism of India – A Symposium, Lalvani Publishing House, 1969, Mumbai.
- 3) Pal Panadlkar & N.C. Mehra, Rural Banking, National Institute of Bank Management, Mumbai.
- 4) Vasant Desai, Indian Banking – Nature and Problems, Himalaya Publishing House, Mumbai.
- 5) Benjamin H Bankhurt, Money Banking System, Times of India Press, Mumbai. Charles L Prather, Money & Banking, Richard Inc., Illinois.

415CO21: Business Correspondence and Report Writing

UNIT I: Role of Communication in Business: Basic Elements of communication process Level of communication forms, models and media of communication Verbal and nonverbal communication Functions and Types.

UNIT II: Organizational Communication: Communication dimensions in organisations Net works Communication structures communication in different situations.

UNIT III: Non Verbal Communication: Intra and inter personal communication The process of Intra and inter personal communication. The effects of Intra and inter personal variables on effective communication.

UNIT IV: Verbal Communication : Business letters Types basic principles, style and tone Letters relating to calling for a post, calling for interview Appointment orders Termination order Business Enquiries Orders Regret conciliation of orders Complaints and Adjustments.

UNIT V: Report Writing: Considerations Types of report preparation of report format principles of writing a report feed back on the report common errors.

FURTHER READINGS:

1. Sharma, Business Correspondence & Report Writing, Tata Mc. Graw Hill.
2. Pradhan, Bhande & Thakur, Business Communication, Himalaya Publishing.
3. Rao & Rao, Business Communications, Himalaya.
4. M. Balasubrahmanyam, Business Communications Vikas Publishing.
5. G.T. Hurni. Communication Skills in the organisation, Prentice Hall.
6. Bery Williams, Communicating Effectively, Sterling Publishers.
7. Larry L. Barkett. Communications, Prentice Hall of India.

416CO21: General Insurance products and Management

1. **Meaning of General Insurance** – The Evolution and Growth of General Insurance – Types of General Insurance – Fundamentals of General Insurance –Recent innovations. Organization and Management of General Insurance Companies – Regulatory Framework for General Insurance in India.
2. **Fire Insurance:** Standard policies – Fire Insurance coverage – Consequential loss (fire) Insurance policies – Declaration policies, Marine Insurance: Marine Cargo policies – Hull policies – Institute cargo clauses – Institute hull clauses – Open policies – Accumulation of risk per location -Motor Insurance: Types of policies – Third party Insurance – Comprehensive coverage – Conditions and Exclusions – premium.
3. **Non-life miscellaneous insurances:** Personal Accident Insurance, Health Insurance and Mediclaim policies, Liability Insurance, Burglary Insurance other Miscellaneous Insurances, Rural Insurance covers, Engineering Insurance and its Consequential loss covers, Aviation hull and Aviation liability.
4. **Underwriting and Settlement of Claims:** Proposal forms – Cover notes – Certificates of Insurance – Endorsements – Moral and Physical Hazards – Statistics – Spreading of Risks – Premium Rating – Premium Loading
5. **Settlement of Claims:** Claim procedure – TPAs – Claim forms – Investigation / Assessment – Essential Claim Documents – Settlement Limitation, Arbitration, Loss Minimization and Salvage.

FURTHER READINGS:

1. Insurance Institute of India – IC 34 – General Insurance
2. Insurance Institute of India – IC 45- General Insurance Underwriting
3. Module I, Principles and Practice of General Insurance, The Institute of Chartered Accountants of India: New Delhi.
4. H Narayanan, Indian Insurance: A Profile, Jaico Publishing House: Mumbai.
5. K.C. Mishra and G.E. Thomas, General Insurance - Principles and Practice, Cengage Learning: New Delhi.

TEXT BOOK

Insurance Institute of India – IC 32- Practice of General Insurance

DURATION OF THE PROGRAMME:

Minimum: Two Academic Years from the year of joining of the course (Four Semesters).

Maximum: Five Academic Years from year of joining of the course for securing First Class or Second Class.

INSTRUCTIONAL DELIVERY MECHANISM:

University has its own faculty for M.Com. department and all the faculty members will act as resource persons. Our University has blended mode delivery mechanism i.e., ICT and Conventional modes.

MEDIA OF DELIVERY MECHANISMS:

- **Printing:** The study material delivery media include Printing of books which are issued to the students who are enrolled for the programme.

- **Online:** On line PDF format content is also given access to the students who wish to study through online mode.

- **Audio Video Materials:** Audio Video material is also available for students for better understanding of the course material.

- **Conducting virtual classes:** Virtual classes are also being conducted at regular intervals for students.

- **Interactive sessions, and Discussion boards:** In distance Education, face to face contact between the learners and their tutors is relatively less and therefore interactive sessions are conducted. The purpose of such interactive session is to answer some of the questions and clarify doubts that may not be possible in other means of communication. This programme provides an opportunity to meet other fellow students. The Counsellors at the study centres are expected to provide guidance to the students. The interactive sessions are conducted during week ends and vacations to enable the working students to attend.

- **Student support services:** Student support services include Internet enabled student support services like e-mails, SMS and even an app is planned. Student feed back mechanism is created and feed back is designed. Student Learning Management System (LMS) is customized to every student. For every student customized examination management system (EMS) is also created facilitating self evaluation, demo tests, model question papers and periodical Internal Assessments.

- **Credit System:** University has adopted Choice Based Credit System (CBSE) under semester mode from 2013. The same has been approved by relevant Statutory boards in Distance mode also.

- **Admission procedure:** In M.Com. (Banking) programme candidates can take admission directly. For this purpose, CDE, ANU will advertise for admissions. Then candidates should apply in prescribed format of the CDE after publication of the advertisement.

- **Eligibility Criteria:** The eligibility for admission into this course is B.Com / BBM.

- **Fee Structure:** The total course fee is Rs.15.480/-.

- **Policy of programme delivery:** Our University has blended mode delivery mechanism i.e., ICT and Conventional modes. In conventional mode printed material is given and also online mode of delivery with learning management system is adopted.

• **Activity planner:** There is an yearly academic plan and as per plan interactive sessions, assignments, examinations etc are conducted to the candidates.

• **Evaluation System:** Periodical progress of learning is evaluated by web based feed back mechanism in the Learning Management System. Evaluation of learner progress is conducted as follows:

(i) The examination has two components i.e., continuous evaluation by way of assignments (30 %) and term end University Examination (70 %).

(ii) Each student has to complete and submit assignment in each of the theory paper before appearing to the term end examination. The term end examination shall be of 3 hours duration.

(iii) Minimum qualifying marks in each paper is 40 % individually in internal and term end examination. The candidates who get 60 % and above will be declared as pass in First Division, 50 % to below 60 % as Second Division and 40 % to below 50 % as Third Division.

(iv) The Centre for Distance Education, Acharya Nagarjuna University will conduct the examinations, evaluations and issue certificates to the successful candidates.

(v) All the term end examinations will be conducted at the examination centres fixed by the CDE.


(vi) Qualitatively the examinations conducted for the students of the Distance Education are on par with the examinations conducted for the regular University students.

LIBRARY SUPPORT AND LIBRARY RESOURCES: The M.Com. (Banking) programme is based on the theory and does not contain practical papers. Hence, no need of Laboratory support. However, University Library is accessible to all the students of distance education. University provides computer library facility with internet facility to learners for their learning. Additionally every department in the University has a well equipped library which is accessible to all the students. CDE also provides a compendium of web resources to every student to support learning.

COST ESTIMATE : The Programme fee for I year is Rs.6,730/-, and II year is Rs. 8,750/-. The university will pay the remuneration to Editors and lesson writers as per university norms. DTP charges, Printing of books and Examination fees will be paid by the ANUCDE as per prescribed norms. This institution is providing high quality programmes at low cost.

QUALITY ASSURANCE: Quality assurance comprises the policies, procedures and mechanisms which that specified quality specifications and standards are maintained. These include continuous revision and monitoring activities to evaluate aspects such as suitability, efficiency, applicability and efficacy of all activities with a view to ensure continuous quality improvement and enhancement. The programme is designed with a focus on the proposed learning outcomes aimed at making the learner industry ready also for career advancement, entrepreneurial development, and as wealth creators. There is a continuous evaluation of learning and of competence internally and also by ICT enabled feed back mechanism and Centre for Internal Quality Assurance (CIQA). The University ensures maintaining quality in education provided through open and distance learning mode. As per the need of the information society and professional requirement, the University ensures to change the mechanism from time to time along with enhancement of standard in course curriculum and instructional design. Therefore, the outcomes of the programme can meet the challenges in the changing society.


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