

EC : 601 : Advanced Financial Management (Part –II)

Theory : Credit : 4 (100%)

Total Marks : 100

Unit	Topics Covered	Wt.
1.	Financial Markets in India : Capital Markets : Meaning, Role and importance, Development initiatives and reforms (in brief). Composition: Primary -Secondary I. Primary Markets: Meaning, instruments, New Issue Market: Features, objectives and functions, Constituents or players, Problems and Recent Developments including the concept of book building. Modes of procuring long term funds: Public issue, Rights issue, Bonus issue, Private placement. II. Secondary Markets. Meaning, Functions of the stock exchange, Benefits to the community-investors-companies, Listing of securities and its benefits, Stock market indices, Types of dealings, types of securities traded on the Indian stock exchanges, Comparison of the three exchanges (BSE, NSE, OTCEI)	(25%)
2.	Money Markets : Meaning, features of organized and unorganised money markets Instruments: Treasury Bills, Certificate of Deposits, Commercial Paper, Call money Commercial bills, Inter-corporate deposits, Inter-bank participation certificates.	(10%)
3.	Credit Rating Agencies : Meaning and role of such agencies. A brief idea about: CRISIL, CARE, ICRA.	(10%)
4.	Preparation & Analysis of Fund Flow Statement : Meaning-uses-importance of Fund Flow statement working capital -example based on Fund flow statement only on two years balance sheet.	(25%)
5.	International Financial Management : World monetary system, multinational corporation (MNCs), foreign exchange market and rate, international parity relationship, international capital budgeting, interest rate swaps forward and future, FDI, Money market hedging, Options.	(30%)

Reference Books:

- Prasanna Chandra "Financial Management", Tata Mc Graw -Hill, New Delhi.
- M.Y. Khan & P.K. Jain "Financial Management", Tata Mc Graw -Hill, New Delhi.
- G. Sudershan Reddy "Financial Management", Himalaya Publication, Mumbai
- I.M. Pandey "Financial Management", S. Chand, New Delhi
- Dr. P.C. Tulsian "Financial Management", S. Chand, New Delhi.