

## **FOURTH SEMESTER - MASTER OF BUSINESS ADMINISTRATION (FINANCE)**

<b>Fourth Semester</b>			
<b>S. No.</b>	<b>Name of Subject</b>	<b>Credits</b>	<b>Total Marks</b>
1	Environmental Management	4	100
2	Financial Management	4	100
3	Global Financial Marketing	4	100
4	Indian Financial System	4	100
5	Accounting and Information System	4	100
6	Project Work	2	100
<b>Total</b>		<b>22</b>	

**Subject Name:** ENVIRONMENTAL MANAGEMENT

### **Unit 1: Study of Nature, Resources and Ecosystem**

- 1. Environment Studies - Scope and Importance:** Objectives, Environment, Types of Environment, Need for Public Awareness, Environment Ethics, Environmental Education, Multidisciplinary Nature of Environmental Education, Scope of Environmental Education.
- 2. Natural Resources:** Objectives, Introduction, Classification of Natural Resources, Principal Natural Resources and their Problems- Forest Resources, Water Resources, Mineral Resources, Food Resources, Energy Resources, Land Resources.
- 3. Ecosystem:** Objectives, Types of Ecosystem, Ecosystem Components, Ecosystem- Structure and Function, Food Chain and food Web. Ecological Pyramids, Major Ecosystems, Ecological Succession (Changes in Biotic Community).

### **Unit 2: Biodiversity and Pollution Control**

- 4. Biodiversity and ITS Conservation:** Objectives, Levels of Biodiversity, Bio Geographical Classification of India, Value of Biodiversity, Man-Wildlife Conflicts, Conservation of Biodiversity, Hot Spots of Biodiversity, Biodiversity Conservation of India.
- 5. Environment Pollution:** Objectives, pollutions, Types of Pollution, Atmospheric or Air pollution, Water pollution, Soil pollution, Radioactive pollution, Noise pollution, Solid Waste Management, Role of Individual in Prevention of Pollution, Environmental Disasters and Their Management.
- 6. Social Issues and The Environment:** Objectives, Sustainable Development, Water Conservation, Resettlement and rehabilitation of People Environmental Ethic and Resource Use, Global Environmental Changes, Greenhouse Effect, Relative Contribution and Effects of Greenhouse, Wasteland Development.

### **Unit 3: Study of Population Growth and Case Studies**

- 7. Human Population and The Environment:** Objectives, human Population Growth, Maximum Carrying Capacity, Environment and Human Health, Family welfare Programme, Human Rights, Women and Child Welfare, role of Information Technology in Environment and Human Health.
- 8. Field Work:** Introduction Visit to a Local Area to Document environmental Assets- River, Forest, Grasslands, Hill Mountains, A Visit to Local Pollution Sites-Urban Site Rural Site, Agricultural Site, Study of Common Plants, Insects and Birds, Study of Simple Ecosystem - Pond Ecosystem, River, Hill Slope.

**Subject Name:** FINANCIAL MANAGEMENT

#### **Unit I**

Introduction: Concept of finance, scope and objectives of finance; Profit maximisation vs. Wealth maximisation; Functions of Finance Manager in Modern Age; Financial decision areas, Time value of money, risk and return analysis, valuation of securities

#### **Unit II**

**Capitalisation and Capital Structure:** Meaning and definitions of capitalization, Over-capitalisation- Meaning, Causes, evils and remedial measures, Under- Capitalisation -meaning, causes, evils and remedial measures. Over-Capitalisation v/s Under- capitalisation.

Meaning and definitions of capital structure, qualities of optimum/ sound capital structure, Factors affecting capital structure, capital structure Theories: NI Approach; NOI Approach; Traditional Approach and M.M. Approach.

#### **Unit III**

Working Capital: Concept of Gross Working Capital & Net Working Capital, Various Approaches to Working Capital Management, Factors affecting working capital requirement. Working Capital Management: Management of cash, inventory and receivables.

Working Capital Financing: Sources of short term financing, Role of commercial bank in working capital management; Commercial paper; Factoring and other tools of working capital management

#### **Unit IV**

Investment decision; Appraisal of project; Techniques of capital budgeting and its applications; Risk and Uncertainty in Capital Budgeting, Leverage analysis-financing, operating and combined leverage and its implications; EBIT-EPS analysis

Financing Decision: Long-term sources of finance, potentiality of equity shares, preference shares, debentures and bonds as source of long-term finance; Concept and approaches of capital structure decision; NI, NOI, Traditional and Modigliani Miller Approach; Cost of equity share, preference share and debentures

Dividend Decision: Concept of retained earning and plough back of profits, relevancy and irrelevancy theory of dividend decision; Walter's model; Gordon's Model and Modigliani Miller model; Factor affecting dividend decision

## Unit V

**Stock Exchange:** Definition, Market Participants, The Role of Stock Exchanges, Corporate Governance, Trading in stock Exchanges, AMEX, NASDAQ, LSE, NYSE, FSE, PSE, TSE, SSE, Madrid Stock Exchange.

**Indian Stock Exchange:** Bombay Stock Exchange: BSE Sensex, Sensex Milestones, National Stock Exchange: Innovations, Indices, Mission, Logo, Corporate Structure, Board of Directors, Committee on Trade Issues (COTI), Capital Market Segment.

### Suggested Readings:

- 1) Pandey I M- Financial Management (Vikas, 2004)
- 2) Van Horne- Financial Management and Policy (Pearson Education, 12th edition) 2003,
- 3) Knott G-Financial Management (Palgrave, 2004)
- 4) Khan and Jain- Financial Management (Tata McGraw-Hill, 3rd edition)
- 5) Prasanna Chandra- Fundamentals of Financial Management (TMH), 2004.
- 6) Kirt C Butler- Multi National Finance (Vikas)
- 7) R P Rustagi- Financial Management (Galgotia) 2000, 2nd reved.
- 8) Lawrence J. Gitman- Principles of Managerial Finance 2004, Pearson Education N. Delhi.

**Subject Name:** GLOBAL FINANCIAL MARKETING

### 1. Commercial Banks

- The Role of Commercial Banks
- Types of Loans Granted by Commercial banks
- What makes a bank limited Liability Company
- Deposit Lending
- Iceland Banks

### 2. Banking Service

- Shadow banking
- Banking Secrecy
- Building Societies
- Saving and loan
- Credit unions

### 3. Central Banks

- Naming of Central Banks
- An Overview
- Measures in the Credit Crisis of 2007-09
- Efficient Market Fallacy

### 4. Stock Market

- Importance of Market
- Relation of The stock market to the Modern financial System
- The Behavior of The Stock Market
- Irrational Behavior
- Shares
- investment adviser

- Equities
- Inflation and Deflation
- 5. Money Market**
  - Interest- Rate Derivatives
  - Domestic bonds
  - Types of Bond
  - International Debt Securities
- 6. Banking Investment**
  - The Business
  - International debt Securities
  - Public offering
- 7. Asset Backed Securities**
  - Advantage and Disadvantages
  - Securitization
  - Investors
  - Regulation and Transparency
  - Types of reinsurance
  - The Credit Crunch
- 8. Corporate Governance**
  - Principles of Corporate Governance
  - Interests of Other stakeholders
  - Disclosure and transparency
  - An Overview
  - Enron

**Subject Name:** INDIAN FINANCIAL SYSTEM

- 1. Financial System:** Institutions, Markets – primary, secondary, money and Capital markets, Instruments of Money Market, Functions and their Economic Significance.
- 2. Commercial Banks** - Functions – Structure of Commercial banks in India – sources of funds, Investment norms – factors determining liquidity of banks – Asset structure of commercial banks – profitability of banks.
- 3. Financial Institutions:** IDBI, SFCS, SIDCS, LIC, Mutual Funds, EXIM Bank – Constitution, objectives and functions.
- 4. Regulatory Institutions** – RBI – Organization, Objectives, Role and Functions, Monetary policy of the RBI, NABARD. The Securities and Exchange Board of India, Organization and Objectives.
- 5. Banking Innovations** – New technology in Banking – E-services – Debit and Credit cards. Internet Banking, ATM, Electronic fund transfer, MICR.

**Subject Name:** ACCOUNTING AND INFORMATION SYSTEM

**Subject Code:** MBA- 362

1. **Financial Accounting System and software packages:** Financial transactions, Books of original entry – ledger, trial balance, financial statements-profit and loss accounts and balance sheet-practical knowledge on Wings Accounting and Wings trade (software).
2. **Cost Accounting System and software packages:** Elements of Cost-classification-cost sheet-cost accounting methods and techniques-use of software packages of various types to obtain cost accounting output-analysis of cost-cost center wise-cost element wise-allocation of overheads -preparation of cost sheet.
3. **Management Accounting and software packages:** Concepts-organization-accounting techniques -use of software packages to obtain different management accounting outputs – fund flow statement-ratio analysis-budget and budget variances projected financial statements-marginal costing.
4. **Management Information System:** Accounting techniques and reports.
5. **Information System Audit:** Basic idea of information audit-difference with the traditional concepts of audit –conduct and application of Information System Audit in internet environment.

**Subject Name:** PROJECT WORK

**Note:** The Normal Rule and Regulation pertaining to the Examination and other issues will be applicable in Faculty of Commerce and Management as per Arunachal University of Studies Act 2012, Subsequent Statute and Rules & Regulations.