

Financial Engineering					
Time Allotted for End Semester Examination	Marks Allotted for Internal Assessment	Marks Allotted for End Semester Examination (ESE)	Maximum Marks (MM)	Total Credits	Maximum Hours
3 Hrs.	30(20+10)	70	100	03	40

OBJECTIVE: The objective of this course is to apprise the students with the concepts and practices of Investment Management.

- Introduction – Securities Market, Mobilization of Savings, Objectives of Investors, Investment Avenues, Investment Media, Features of an Investment Programme. Difference between Investment and Speculation **(8Hours)**
- Development of Financial System in India, Structure of Financial Markets, Financial Institutions, New Developments in the Financial System. **(8Hours)**
- Government Securities- Types, Life Insurance, Kinds of Policies, Procedure for taking a policy, Investment in Units, Different Unit Schemes, Tax Benefits, Provident Funds, National Saving Schemes—Post Office Savings and other Alternative Forms of Investment. **Case Study1:** Impact of FDI on insurance sector of India. **(8Hours)**
- Stock Markets in India, Role of New Issues Market, Mechanics of Security Trading in Stock Exchanges, Kinds of Trading Activity, Listing of Securities, Legal Control of Stock Exchange in India. **(8Hours)**
- Derivatives and Latest trading practices, Forward contracts, future contracts, options and other derivatives, future market and use of futures for hedging, interest rate futures, SWAPS, Black Scholes Analysis. **Case Study2:** Forward premium and forward contracts. **(8Hours)**

SUGGESTED READINGS:

1. Avadhani, V.A.(1992). *Investment & Securities Market in India: Investment Management*. New Delhi.: Himalayan Publication,.
2. Beder, S.T., & Marshall, M.C. (2011). *Financial Engineering: The Evolution of Profession*. New Jersey: John Wiley & Sons,.
3. Bhalla, V.K. (2008). *Investment Management*. , New Delhi: S. Chand Publication.
4. Kaptan, S.S. (2001). *Investment Management*. New Delhi: Sarup & Sons.
5. Litterman, B. (2004). *Modern Investment Management: A Equilibrium Approach*. New Jersey: John Wiley & Sons.
6. Maheshwari, Y. (2008). *Investment Management*. New Delhi: Prentice Hall of India.
7. Neftci, N. S. (2008). *Principles of Financial Engineering*. United States: Academic Press.
8. Ruppert, D. (2011). *Statistic & Data Analysis for financial Engineering*. New York: Springer.
9. Vishwanathan, R. & Krishnamurthy, C. (2009), “*Investment Management: A Modern Guide to Security Analysis and Stock Selection*. New York: Springer.
10. **Case Study 1:** <http://www.worldscientificnews.com/wp-content/uploads/2015/10/WSN-472-2016-190-201.pdf>
11. **Cas Study2:** <https://nebula.wsimg.com/2463c30752c14c11e477df3199f855c8?AccessKeyId=A83663472B839ECDD54B&disposition=0&alloworigin=1>

NOTE: The list of cases, specific references and books including recent articles will be announced in the class by concerned teachers from time to time.

MBE II Year	MBE-E334/434	Semester-III/IV
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