HSNC University Mumbai

(2021-2022)

Ordinances and Regulations

With Respect to

Choice Based Credit System

(CBCS)

For the Programmes Under

Faculty of Science

For the Course

Economics

Curriculum – Second Year Undergraduate Programmes

Semester-III and Semester –IV

2021-22

Faculty of Science
Department of Economics
SYBSC

Preamble

The Department of Economics has strived to develop a curriculum that aims to encourage ethical, need-based, industry-endorsed and globally acceptable programmes and research.

The subject of Economics deals with consumer theory, producer theory, markets, national income, international trade, monetary policy, fiscal policy, development theories, economic thought and many more to understand individual markets as well as the aggregate economy. The curriculum will not only teach the theoretical models but it will help the students to cultivate a way of thinking that requires a critical eye and a rigorous method of logical reasoning. The subject provides a scope to analyze problems quantitatively by using a mathematical approach. Through the curriculum the students will acquire many general and specific skills which will make them adaptable to many opportunities after graduation.

The second year of the course has been divided into two semesters - III and IV. Semester III includes three papers Advanced Microeconomics, Economics of Development and Indian Financial System. Semester IV includes Advanced Macroeconomics, International Economics and Financial Economics.

The curriculum tries to encourage students towards self-learning. Some of the topics have been identified for them to learn through the various online resources launched by the University Grants Commission (UGC) along with the Ministry of Education. The same topics will be used for discussions using case studies. They will be assessed using short assignments based on those materials.

Thus, our curriculum in Economics will provide analytical and critical thinking tools to address challenges in the students' professional career.

1. Course Objectives:

1. To provide a sound understanding in microeconomic theory.

2. To introduce diverse concepts related to economic growth and development by giving special emphasis on structural issues related to the process of development.

3. To acquaint students with various components of the Indian financial system.

4. To familiarise the composition, direction and consequences of international trade.

5. To introduce the economics of finance.

6. To think analytically and critically using logical reasoning.

7. To encourage self-learning through online and offline resources.

2. Process adopted for Curriculum designing:

A team was constituted with four internal members, four alumni and three external experts to frame the syllabi. After conducting several meetings and discussions, the changes in the syllabus were introduced.

3. Salient features, how it has been made more relevant:

The current course is designed to enhance the knowledge and skill of the subject. While designing the curriculum, a well- balanced approach has been taken for all papers so as to provide a clear understanding of the subject to the learners.

The course will help the students to develop requisite skills in areas which have direct bearing on future employment prospects and meet the requirements of business, corporate sector, public services and other professional jobs.

4. Learning Outcomes: The students will be able to

1. Understand, summarize, analyse and apply the concepts of Micro and Macro Economics in their daily lives.

2. Understand the functioning of imperfect markets, game theory and general equilibrium among others.

3. Analyse the policy options related to the problems like inequality, poverty etc.

4. Appreciate the changing trends in the Indian financial sector.

5. Comprehend the different theories of goods and money market, exchange rate regimes

6. Analyse national and international policies of trade, financial flows.

7. Appreciate basic models of corporate finance, investment and portfolio analysis.

5. Input from stakeholders:

The modifications suggested by internal and external experts as well as alumni have helped to make the syllabus more holistic and comprehensive. The value addition in the syllabus will definitely prove to be extremely relevant in the context of growing demands of an economy.

Part 2 - The Scheme of Teaching and Examination

Semester – III

Sr. No.	Choice Based Credit System	Subjects		Subject Code	Remarks
1	BSc-Economics	SYBSc-Economics Paper V: Advanced Microeconomics	Theory	US-SEC-301	
2	BSc-Economics	SYBSc-Economics Paper VI: Economics of Development	Theory	US-SEC-302	
3	BSc-Economics	SYBSc-Economics Paper VII: Indian Financial System	Theory	US-SEC-303	

Semester – IV

Sr. No.	Choice Based Credit System	Subjects		Subject Code	Remarks
1	BSc-Economics	SYBSc-Economics Paper VIII: Advanced Macroeconomics	Theory	US-SEC-401	
2	BSc-Economics	SYBSc-Economics Paper IX: International Economics	Theory	US-SEC-402	
3	BSc-Economics	SYBSc-Economics Paper X: Financial Economics	Theory	US-SEC-403	

Second year Semester-III and IV Internal and External Assessment Details

Sr. No.	Subject Code	Subject Title	Lectures Per Week (Lecture of 45 min)					Credits	Evaluation Scheme						Total Marks
			Units	S.L.*	L	T	P		SLE	TA	CT	Proj.	SEE	PE	
1	US-SEC-301	Economics Paper V: Advanced Microeconomics	4	20 %	4	0	0	3	10	05	15	10	60	0	100
2	US-SEC-302	Economics Paper VI: Economics of Development	4	20 %	4	0	0	3	10	05	15	10	60	0	100
3	US-SEC-303	Economics Paper VII: Indian Financial System	4	20 %	4	0	0	3	10	05	15	10	60	0	100

| Sr. No. | Subject Code | Subject Title | Lectures Per Week (Lecture of 45 min) | | | | | Credits | Evaluation Scheme | | | | | | Total Marks |
			Units	S.L.*	L	T	P		SLE	TA	CT	Proj.	SEE	PE	
4	US-SEC-401	Economics Paper VIII: Advanced Macroeconomics	4	20 %	4	0	0	3	10	05	15	10	60	0	100
5	US-SEC-402	Economics Paper IX: International Economics	4	20 %	4	0	0	3	10	05	15	10	60	0	100
6	US-SEC-403	Economics Paper X: Financial Economics	4	20 %	4	0	0	3	10	05	15	10	60	0	100
		Total						18							600

*One to two lectures to be taken for CONTINUOUS self -learning evaluation

L: Lecture, T: Tutorials, P: Practical, Ct-Core Theory, CP-Core Practical, CT-Class Test, TA-Teacher Assessment, SLE : Self Learning Evaluation, Proj.- Project/Assignment, PE : Practical Evaluation, SEE: Semester end examination

• Lecture Duration – 50 Minutes • One Credit = 15 Classroom teaching hours

Part 3: Detailed Scheme Theory

Semester III

Syllabus Information

Sr. No	Course Code	Title	Credits	Lectures
1	US-SEC-301	**Economics-Paper V (Advanced Microeconomics)**	4	48

Title: Advanced Microeconomics

Units	Modules	No. of Lectures
1	**MODULE I: OLIGOPOLY** 1.1 Oligopoly explain with real world examples 1.2 The Cournot model also explain with Reaction Curve, give examples 1.2 The Bertrand model - the Edgeworth model – the Chamberlin model – differentiate and give examples 1.4 The Kinked demand curve model – give real world examples.	12

	1.5 Collusion and Cartels – give real world examples of mergers and take overs of firm.	
2	**Module II:** GAME THEORY 2.1 Basics of Game theory – application in real economy of Duopoly, Oligopoly and Monopolistic Competition. 2.2 Prisoner's dilemma – give real world examples of sub-optimal solutions by the competing firms. (Give example of sticky prices). Co-operative & Non-cooperative games. (cartel & collusions). 2.3 Dominant strategy equilibrium – explain with real world examples of dominant / leader firm and follower firm. 2.4 Battle of sexes game – given examples of interdependent firms 2.5 Nash equilibrium – give examples from real world 2.6 Extensive form games – game tree - Solving finite extensive form game. Give examples from oligopoly and monopolistic competitive firm.	**12**
3	**Module III:** General Equilibrium and Welfare Economics – 4.1 General Equilibrium & Interdependence of Economy. 4.2 Existence of General Equilibrium, (IS-LM model in brief). 4.3 The Pareto Optimality Condition of Social Welfare, Marginal Conditions for Pareto Optimal Resource Allocation, Perfect Competition and Pareto Optimality 4.4 Kaldor- Hicks Compensation Criterion – 4.5 Arrow's Impossibility Theorem. 4.6 Applied Welfare Economics (in brief concept, Ethics, Environmental protection & social health).	**12**
4	**Module 4:** Information Economics (12 Lectures) 4.1 Economics of Search and Search Cost – 4.2 The Theory of Asymmetric Information- 4.3 The Market for Lemons and Adverse Selection – 4.4 Risk Preference and Expected Utility – 4.5 The Problem of Moral Hazard – 4.6 Market Signaling – 4.7 Principal-Agent Problem. signalling games 4.8 Some ideas of Behaviourial Economics	**12**

Self-Learning Components (Unit Wise)

Module	Topic	Swayam Link
Module1	OLIGOPOLY: By Prof. Trupti Mishra | IIT Bombay Cournot model ,reaction ,curves and Bertrand Mode) (Part-I) (CH_07) By Prof. **Gauri Gaur Gujrat University Swayam Prabha**	https://onlinecourses.nptel.ac.in/noc20_mg67/preview https://www.youtube.com/watch?v=c51pP4aezS0
Module2	Game Theory Game Theory and Economics by Dr. Debarshi Das, Department of Humanities and Social Sciences, IIT Guwahati. For more details on NPTEL visit http://nptel.iitm.ac.in	https://nptel.ac.in/courses/109/103/109103021/ https://www.youtube.com/watch?v=a52BtWkyjl0&t=120s
Module3	FACTOR PRICING By Prof Guari Gaur, Gujarat University	https://www.youtube.com/watch?v=GRpKi-XqkqA
Module4	General Equilibrium By Guari Gaur, Gujarat University	https://www.youtube.com/watch?v=5H63T6wvLQ4

	Welfare Economics By MIT 14.01 Principles of Microeconomics, Fall 2018 Instructor: Prof. Jonathan Gruber Dr Renuka Anup Kumar, Delhi University	https://www.youtube.com/watch?v=PC3qooaF5Xs https://www.youtube.com/watch?v=516g-8dOmMI

References:

1. Koutsoyannis, Modern Microeconomics (2003), Macmillan Press Ltd., London.

2. Mankiw, N. Gregory, Principles of Microeconomics (2016), 7 th edition, Cengage Learning, 2015

3. Mansfield, Edwin; Micro-economics: Theory & Applications, 7th edition, W.W. Norton & Company, New York, 1992.

4. Sen Anindya (2007), Microeconomics: Theory and Applications, Second edition Oxford University Press, New Delhi, 2007.

5. Salvatore, D.; Microeconomics : Theory and Applications , New Delhi Oxford, New Delhi, Oxford University Press 2006.

6. R. Gibbons (1992) : A Primer in Game Theory, Harvester Wheatsheaf

7. A. Randall, in Encyclopedia of Energy, Natural Resource, and Environmental Economics, 2013

8. Varian Hal R. (8 Edition 2010) Intermediate Microeconomics A Modern Approach, East-West Press, New Delhi.

9. Osborne, M. (2004). An introduction to game theory. Oxford University Press

10. Henderson J. M. & Quandt R.E. *Microeconomic Theory. A Mathematical Approach*. McGraw-Hill Book Company, 1958, Published online by Cambridge University Press: **17 August 2016**

Syllabus Information

Sr.No	Course Code	Title	Credits	Lectures
1	**US-SEC-302**	**Economics Paper VI** **Economics of Development**	3	48

Units	Modules	No. of Lectures
1	**Module 1: Meaning of Economic Growth and Development** 1.1 Concepts of Economic Growth and Development-Distinction between Economic Growth and Development 1.2 Concept of Human Development- H.D.I, G.D.I 1.3 Green GDP 1.4 Sen's Capability approach 1.5 Millennium Development Goals (MDGs)- Initiative by Indian government towards MDGs.	12
2	**Module 2: Theories of Economic Development** 2.1 Rostow's stages of growth; 2.2 Big Push Theory 2.3 Schumpeter's Theory of Development 2.4 Harrod - Domar Growth Model 2.5 Solow's growth model 2.6 Lewis Model of unlimited supply of labour 2.7 Ragner Nurkse's Theory of Disguised Unemployment	12
3	**Module 3: Structural Issues in Development Process** 3.1 Concept of Human Capital- Role of Education, Health and nutrition in Human Capital 3.2 Meaning and Measurement of Poverty and Inequality- Measures to eradicate poverty and Inequality 3.3 Meaning of Inclusive growth 3.4 Economics of Gender and Development-SHG and Microfinance 3.5 Migration – Urbanization- Formal and Informal Sector- Urban Informal Sector	12
4	**Module 4: Planning, Technology and Economic Development** 4.1 Concept and Role of infrastructure in Economic Development 4.2 Role of technology in Economic Development- Labour intensive versus Capital intensive technology 4.3 Schumacher's concepts of intermediate and appropriate technology 4.4 Green Technology 4.5 Meaning and Types of Economic Planning- Role of Planning in Economic Development	12

Self-Learning components (Unit wise)

Unit	Topic	SWAYAM Link
1	1.2 Human Development	https://youtu.be/PxIWLwnDGJA
2	2.6 Lewis model	https://youtu.be/XENmyrA4ZbY
3	3.1 Poverty and Inequality	https://youtu.be/2BV51w3W8oE
4	4.1 Economic infrastructure	https://youtu.be/LsvLqaxR5pM

References:

1. Todaro, Michael P. and Stephen C. Smith. Economic Development, 8e. Delhi: Pearson Education, 2015.

2. Boldwin, Economic Development: Theory, History and Policy, Willy Publishers, 1957.

3. Mamoria, Joshi, Principles and practice of marketing in India, Kitab Mahal, 1979.

4. Meier, Gerald M. and James E. Rauch. Leading Issues in Economic Development, New Delhi: Oxford Univ. Press, 2011.

5. Thirlwall, A.P. Growth and Development 8e. New York: Palgrave MacMillan, 2005.

6. V.K. Puri and S.K. Mishra, Indian Economy, Himalaya Publishing House, 2019.

Syllabus Information

Sr.No	Course Code	Title	Credits	Lectures
1	US-SEC-303	Economics Paper VII (Indian Financial System)	3	48

Title: Indian Financial System

Units	HSNC University	Number of Lectures
1	**Module 1: Indian Financial System: Structure, Trends and Turns** 1.1 Evolution, Meaning, Characteristics and components of the Financial System 1.2 Financial System and Economic Development – 1.3 Indicators of Financial Development: FR, FIR, NIR and IR 1.4 Reforms and trends/ turns in Indian financial sector: 1991-2019	10
2	**Module 2 Banking and Non-Banking in India since 1990s** 2.1 Overview of development of Banking in India 2.2 Commercial banking	14

	2.3 Management of NPAs-Concept of Bad bank 2.4 Capital adequacy norms- Basel III 2.5 NBFI: Features, types, role, Regulation 2.6 Provident funds, Pension funds, PFRDA, Venture capital funds, Mudra bank, NBFID		
3	**Module 3: Financial Markets in India: (14 lecs)** 3.1 Money Market: Features, Components of organized money market 3.2 Reforms in the money market 3.3 Monetary Policy Framework 3.4 Debt Market – Structure, participants and instruments, Role of intermediaries and government in debt market, Recent trends 3.5 Capital Market: Structure and Recent Developments 3.6 Role of SEBI 3.7 Interlink between Money Market and Capital Market		**14**
4	**Module 4: Financial Instruments and Services: (10 lecs)** 4.1 Traditional Financial Instruments: equities, debentures and bonds 4.2 Hybrid Financial instruments- floating rate bonds- zero interest bonds- deep discount bonds- inverse float bonds-sovereign gold bonds- municipal bonds 4.3 Financial Services: Insurance, IRDA - Mutual Funds AMFI - Credit Rating- Fintech Innovations, Cryptocurrency		**10**

Self-Learning Components (Unit Wise)

Module	Topic	Self-Learning Links/References
Module 1	Trends and turns in Indian financial sector	Rakesh Mohan & Partha Ray, Indian Financial Sector: Structure, Trends & Turns; IMF Working Paper (WP/17/7). https://www.imf.org> Issues > 2017/01/20 and various issues of RBI Annual Report 2016-17 onwards
Module 3	Capital Market and	https://youtu.be/o7zzbM0DqJc Swayamprabha Ch 07: Kautilya: CEC/UGC: Economics, Commerce, Finance: EMRC, Gujarat University Ahmedabad
	Debt Market	https://youtu.be/4RI2RIXU2iQ Swayamprabha Ch 07: Kautilya: CEC/UGC: Economics,

		Commerce, Finance: EMRC, Gujarat University Ahmedabad
Module 4	Credit Rating	https://youtu.be/uzODlRyqeSg Swayamprabha Ch 07: Kautilya: CEC/UGC: Economics, Commerce, Finance: EMRC, Gujarat University Ahmedabad
	Fintech Innovations	Report of the Working Group on Fin Tech and Digital Banking, RBI, 2018 https://youtu.be/f9Dv20JDmR4 UGC-HRDC University of Kerala
	Cryptocurrency in India	https://youtu.be/LeTEnPxE3XQ UGC-HRDC University of Kerala

References:
1. Pathak, Bharati, The Indian Financial System –Markets, Institutions, and Services, Pearson Education, New Delhi, 2018 5e.
2. Bhole, L. M, J Mahakud, Financial Institutions and Markets, Growth and Innovation, Tata McGraw-Hill, New Delhi, 2017.
3. Khan, M.Y, Financial Services, Tata McGraw Hill, New Delhi, 2019 10e.
4. Dua Pami, (June 2020), 'Monetary Policy framework in India', Indian Economic Review Published online: 23 June 2020
5. Reserve Bank of India (various issues) Report on Currency and Finance, RBI, Mumbai.
6. Rakesh Mohan & Partha Ray, Indian Financial Sector: Structure, Trends & Turns; IMF Working Paper (WP/17/7). https://www.imf.org> Issues > 2017/01/20
7. Dutta Abhijit, Indian Financial System, Excel Books, Delhi, 2012.

Semester – IV

Syllabus Information

Sr. No	Course Code	Title	Credits	Lectures
1	US-SEC-401	Advanced Macroeconomics	4	48

Title: Macroeconomics III

Units	Modules	No. of Lectures
1	**Module 1:** The Goods Market in the Open Economy 1.2 Trade Balance and its implications for GDP calculations; 1.3 Export and Import Functions; 1.4 The Real Exchange Rate and why it matters; 1.5 Why equilibrium GDP is consistent with a trade imbalance; 1.6 Fiscal and Exchange Rate Policy with a Fixed Exchange Rate	**12**
2	**Module 2:** Money/Financial Markets and Mundell-Fleming 2.1 The LM equation for the open economy; 2.2 Uncovered Interest Parity and its implications for exchange rate determination; 2.3 The combined IS/LM/UIP model; 2.4 Fiscal and Monetary Policy under Fixed and Flexible Exchange Rates; 2.5 The Mundell-Fleming trilemma	**12**
3	**Module 3:** Exchange Rate Regimes & Exchange Rate Crises 3.1 The choice of regime, Fixed or Flexible; 3.2 The spectrum of arrangements from Hard Peg at one end to Fully Floating at the other; 3.3 Why the Balance of Payments must always balance under Floating Exchange Rates but need not balance under a Fixed or Managed Exchange Rate regime; 3.4 The operational aspects of fixing; How a fix might come apart; 3.5 Exchange Rate crises; The relation between Exchange Rate crises and other kinds of crises (banking crises, financial crises, etc.) 3.6 Crypto Currency	**12**
4	**Module 4:** International Monetary History, 1900-present 4.1 The Gold Standard; 4.2 The Inter-War Period and the Great Depression; 4.3 The key issues debated at Bretton Woods and the system that emerged as a result of those debates; 4.4 1971 and the collapse of the Bretton Woods system; 4.5 Fixing in Europe via ERM, and the Dollar Standard elsewhere; 4.6 The Maastricht Treaty and preparations for the Euro; 4.7 The Global Financial Crisis and its consequences for the Euro; 4.8 The Euro Crisis; 4.9 Chinese ambitions in the present day 4.10 Asia Infrastructure Investment Bank (AIIB) 4.11 Asian Development Bank (ADB) 4.12 New Development Bank (NDB) 4.13 **(Macro economic implications of the COVID-19 pandemic)**	**12**

Self Learning Components (Unit Wise)

Module	Topic	Swayam Link

Module 1	Macro Economics by Prof.Surajit Sinha,Department of Humanities and Social Sciences,IIT Kanpur.For more details on NPTEL visit http://nptel.ac.in	https://www.youtube.com/watch?v=UlRNHEMSGQE&t=1914s http://web.mit.edu/14.02/www/S05/Ch19.pdf
Module 2	Macro Economics by Prof.Surajit Sinha,Department of Humanities and Social Sciences,IIT Kanpur.For more details on NPTEL visit http://nptel.ac.in	https://www.youtube.com/watch?v=KzYSVg3heqI Mod-01 Lec-13 Lecture 13
Module 3	EXCHANGE RATE by Prof. A. K. Mishra IIT KHARAGPUR	https://nptel.ac.in/courses/110/105/110105057/
Module 4	Global Crises by Dr Y V Reddy	http://www.yvreddy.com/global-crisis-recession-and-uneven-recovery/

References

1. Blanchard, Oliver; Macroeconomics 2017 (7th edition), Pearson education, New Delhi, India.

2. Dornbusch R S, Fischer and R Startz; Macroeconomics, 8e Tata Mc Grow Hill, New Delhi 2013.

3. Froyen, R. T.; Macroeconomics : Theory and Policy, 10E, Pearson Education Asia, Delhi 2013.

4. Mankiw, Gregory; Macroeconomics, 10e, Worth Publishers, New York, 2019.

5. Salvatore, D.; International Economics, Printice Hall, New York, 2013 .

6. Robert Feenstra & Alan Taylor, International Macroeconomics, 2nd ed, 2014

7. Yannis Varoufakis, The Global Minotaur, 2015

8.

www.adb.org › who-we-are

9. https://www.mckinsey.com › risk › our-insights › covid.

Syllabus Information

Sr. No	Course Code	Title	Credits	Lectures

1	US-SEC-402	Economics-Paper IX (International Economics)	3	48

Units	Modules	No. of Lectures
1	**Module 1: Introduction to Trade Theories** 1.1Meaning, scope and importance of International Trade- Difference between Internal and International Trade 1.2Adam Smith's Theory of International Trade - Ricardian theory of comparative cost difference, Haberler's theory of Opportunity Cost 1.3Heckscher- Ohlin Theory 1.4 Leontief's Paradox- 1.5 Krugman's Model	12
2	**Module 2: Balance of Trade and Balance of Payment** 2.1Concepts of Terms of Trade(Net barter, Gross barter and Income terms of trade) 2.2 Meaning and difference between Balance of Trade (BOT) and Balance of Payment (BOP) 2.3Purchasing Power Parity theory 2.4 Law of Reciprocal Demand-Marshall-Edgeworth Offer curves, Gains from trade 2.5 Case for and against Free Trade and Protection policy	12
3	**Module 3: Foreign Exchange Market** 3.1 Meaning and Functions of Foreign Exchange Market-Exchange rate determination, Factors influencing foreign exchange rate-Managed Flexibility-SWAP Market, Components of foreign exchange reserves 3.2 Foreign Aid Vs Foreign Trade 3.3 FDI and MNCs	12
4	**Module 4: International Economic Institutions and Economic Integration** 4.1 IMF, World Bank - Role and functions- 4.2 WTO-Objectives, Functions and Agreements with respect to GATS, AoA, TRIPS,TRIMS 4.3 Forms and objectives of Economic Integration-Cartels-Trade Blocs, ASEAN- European Union (EU), Brexit,NAFTA and SAARC.	12

Self-Learning components (Unit wise)

Unit	Topic	SWAYAM Link

1	1.3Heckshcher- Ohlin Theory of International Trade	https://youtu.be/2IcnxPSvtps
2	2.2 Balance of payment	https://youtu.be/VgQQkNcRsYc
3	3.1 Exchange rate	https://youtu.be/DcmLvmM5nak
4	4.2 WTO Agreements	https://youtu.be/oC8njlYG21U

References:

1.Krugman Paul , Maurice Obstfeld, and Marc Melitz, International Economics: Theory and Policy, Addison-Wesley (Pearson Education Indian Edition), 10th edition, 2017.

2. Salvatore Dominick, International Economics: Trade and Finance, John Wiley, 11th edition, 2014.

3. Bo Sodersten and Geofrey Reed, International Economics, 3 edition, Palgrave Macmillan,1994.

4. Appleyard Dennis and Alfred j Field, Jr, International Economics, , 4th Edition, Tata McGraw-Hill Education Private Limited, 2001.

5. Cherunilam Francis, International Economics, , 5th Edition, Tata McGraw-Hill Education Private Limited, New Delhi, 2009.

6. Melitz M. and Trefler D., Gains from Trade When Firms Matter, Journal of Economic Perspectives, Spring, 2012.

Syllabus Information

Sr. No	Course Code	Title	Credits	Lectures
1	**US-SEC-403**	**Economics-Paper X (Financial Economics)**	3	48

Title : Financial Economics

Units	Modules	No. of Lectures
1	**Module1: Investment & portfolio Analysis** 1.1 Basic theory of interest, discounting & present value; internal rate of return, evaluation criteria,	12

	1.2 Fixed income securities; bonds prices & yields. 1.3 Structure of interest rate, yield curves, spot & forward rates. Portfolio of assets, random asset returns, Mean variance portfolio analysis, Markowitz Model.	
2	**Module 2: CAPM** 2.1 Two fund theorem, The capital Market line, the CAP Model 2.2 The beta of an asset & of a portfolio 2.3 Security market line, 2.4 CAPM model in investment & pricing formula.	10
3	**Module 3: Derivatives** 3.1 Meaning, functions & types of derivatives, 3.2 Participants of derivatives market- hedgers, speculators, arbitrageurs, 3.3 Future pricing- Cost of Carry model, stock index futures, interest rate futures, futures for hedging, 3.4 Options: call & put options, Option trading strategies - spreads, straddles, strips & straps, strangles, Pricing of Options – Black Scholes Model	16
4	**Module 4: Corporate Finance** 4.1 Patterns of corporate financing: stock, debt, preferences, convertibles. 4.2 Capital structure & the cost of capital 4.3 Dividend policy, the Modigliani –Miller theorem	10

Self-Learning components (Unit wise)

Module	Topic	Self Learning Link/References
Module 1	Fixed Income Securities	David Luenberger, Investment Science, Oxford University Press, 1998.
Module 3	Derivatives: Meaning, functions, types	**https://youtu.be/5SjNpTpT5eg** **Swayam CEC** **https://drive.google.com/file/d/1Mt_ikD5BTK63qotZ_WZFtuvKZdMKMTA_/view?usp=sharing**
Module 4	Patterns of corporate Finance	Richard Brealey and Stewart Myers, Principles of Corporate Finance, McGraw Hill, 2011 (Tenth edition).

		Chapter on 'An overview of Corporate Financing'

References:
1. David Luenberger, Investment Science, Oxford University Press, 1998.
2. Hull John C, Options, Futures and other derivatives, Pearson Education, 2005.
3. Thomas Copeland, J. Fred Weston and Kuldeep Shastri, Financial Theory and Corporate Policy, Prentice Hall, 2003.
4. Richard Brealey and Stewart Myers, Principles of Corporate Finance, McGraw Hill, 2011 Tenth edition.
5. Stephen Ross and Bradford Jordan, Fundamentals of Corporate Finance, McGraw Hill, 2005.
6. William Sharpe, Gordon Alexander and J. Bailey, Investment, Prentice Hall of India, 2003.

Part 4: Evaluation Criteria and Question Paper Pattern

Division of Marks: 40-60

Continuous assessment and Evaluation (CAE): 40 marks

	Internal Evaluation of 40 Marks	
Sr. No.	**Particulars**	**Marks**
1	ONE class test / online examination to be conducted in the given semester	15
2	One assignment based on curriculum (to be assessed by the teacher Concerned	10 Marks
3	Self-Learning Evaluation	10 Marks
4	Active participation in routine class instructional deliveries	5 Marks

Semester End Examination (SEE) : 60 marks   **Duration : 2Hours**

Question	Particulars	Marks
1	**From Unit 1 with internal choice**	**15**
2	**From Unit 2 with internal choice**	**15**

| 3 | From Unit 3 with internal choice | 15 |
| 4 | From Unit 4 with internal choice | 15 |