University of Rajasthan
Jaipur

SYLLABUS

POST - GRADUATE DIPLOMA

IN

FINANCIAL ANALYSIS & CONTROL

Examination 2019
DEPARTMENT OF ECONOMIC ADMINISTRATION
AND FINANCIAL MANAGEMENT

POST-GRADUATE DIPLOMA IN FINANCIAL ANALYSIS AND CONTROL

EXAM 2019

Scheme of Examination
1. A Candidate must obtain for a pass at least 25% marks in each individual paper and the monograph and 36% marks in the aggregate. The classification of successful candidates will be as follows:
   First Division 60% of the aggregate marks
   Second Division 48%
   All the rest will be declared to have passed the examination. Every candidate shall be required to offer the following six papers and each paper of three hours duration carrying 100 marks.
2. There will be five questions in all. The candidates are required to attempt all the question. There will be one question from each unit with an internal choice (either/or).
3. Every candidate for the above diploma Examination shall be required to offer the following papers. Each theory paper shall be of 3 hours duration and carry 100 marks.

| Paper - I   | Financial Management |
| Paper - II  | Financial Planning and Control |
| Paper - III | Financial Services and Merchant Banking |
| Paper - IV  | Security Analysis and Portfolio Management |
| Paper - V   | Economic and Quantitative Techniques |
| Paper - VI  | Project work and Viva-Voce |

PAPER-I FINANCIAL MANAGEMENT

Time : 3 hours
Max. Marks : 100

Unit I  Introduction - Functions, Scope, goals and objectives of Financial Management. Task and responsibilities of a Modern Financial Manager.

Unit II Sources of Short term and long term financing-Equity Vs Debt. Cost of Capital-Basic Concept and Assumption. Cost of Various Sources of Capital. Weighted average Cost of various sources of Capital. Weighted average cost of Capital.

Techniques of financial analysis and Interpretation-fund flow and ratio analysis.

Unit IV Financial Institution- Financial Institution and economic development. Assets management Liability management, control and their regulation. Term Lending Institutions- Present scenario.


Books Recommended:

PAPER II : FINANCIAL PLANNING AND CONTROL
Time : 3 hours Max. Marks : 100


Unit IV Break even Analysis-Break-even point, profit volume ratio, assumption of break even analysis. Limitation of break even analysis.

[Signature]
Unit V  Decision involving alternative choice-concept of different cost. Determination of sales mix, exploring new market, discontinuance of a product line. Make or buy decisions. Decisions regarding equipment replacement.

Books Recommended:
1. P. Chandra: Manager’s Guide to Finance & Accounting

PAPER - III: FINANCIAL SERVICE AND MERCHANT BANKING
Time: 3 hours  Max. Marks: 100


Unit III Consumer -Finance-Need, Types and sources, housing and real estate Financing-types and structure of Housing and real estate financing agencies. National Stock Exchange-Organisation and process of operation. OTCEL organisation and working. Stock Holding Corporation of India and credit and investment Rating Agencies in India -Crisil and other.

Unit IV Merchant Banks-Meaning and Functions, public issue, fixed deposit mobilisation, arranging corporate loans and International finance.


Books Recommended:
2. P. Chandra: Financial Management (McGraw Hill)

**PAPER-IV: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT**

Time: 3 hours  Max. Marks: 100

**Unit I**
Investment Avenues-Shares, Debentures. Government securities and Bonds. Comparative study of investment avenues shares, debentures, NFC, mutual funds and others.

**Unit II**

**Unit III**

**Unit IV**
Portfolio Theory (Decisions) - Efficient market hypothesis-Forms and test: concept of portfolio and sharp model. Capital assets pricing model-test and applications. Arbitrage pricing theory. Risk Return Expectation -Investment Goals and Constraints, assets allocation, portfolio management strategies and portfolio revision

**Unit V**

Books Recommended:
7. B. Mayo Herbert: Basic Investment (Dyden Press).
8. K. Bhalla and S.k Tuteja: Investment Management (S.Chand).

**PAPER-V: ECONOMIC AND QUANTITATIVE TECHNIQUES**

Time: 3 hours  Max. Marks: 100

**Unit I**
Utility Theory, Definition of Demand Curve, Demand Function and elasticities
Production function, cost function, cost concept, economy and diseconomy of sales.

Unit II  Theory of Firm, market structure, perfect competition monopoly and monopolistic competition. Price decision and policy.

Unit III  Quantitative Techniques—Meaning and scope. Role of Quantitative Techniques in Business and Industry. Regression Analysis. Simple and Multiple, its importance and application to business; practical and multiple co-relation.

Unit IV  Probability—its meaning and significance, addition and multiplication rules, conditional probabilities and Baysian analysis in business decision. Monte Carlo Methods.

Unit V  Sampling Theory and its significance. Sampling analysis in case of large and small samples. Test of significance—z ‘t’ and F-tests. System approach to management and operation research—Linear Programming (Graphics and Simplex method). Distribution methods and optimal assignments. Elementary study of queuing and Game Theory.

Books Recommended:
2. D.N. Dwivedi: Managerial Economics.

Paper-VI: Project Work and Viva-Voce

Project work of about 5,000 words based on six weeks practical training indicating the candidate own experience with regard to cases / problem approved for the purpose by the Head of the Department. The candidates project work, along with the certificates from the supervisor/teacher concerned will be required to submit before commencement of theory examination.

<table>
<thead>
<tr>
<th>Project Work</th>
<th>-</th>
<th>50 Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Viva-Voce</td>
<td>-</td>
<td>50 Marks</td>
</tr>
</tbody>
</table>