

**UNIVERSITY OF PUNE**  
**SYLLABUS FOR POST GRADUATE DIPLOMA IN**  
**CAPITAL MARKET MANAGEMENT**  
**(PGDCMM)**

**Effective Commencement from Academic Year 2008-09**

**(I) NAME OF THE COURSE :**

The name of the Course shall be **Post Graduate Diploma in Capital Market Management (PGDCMM)**

**(II) ELIGIBILITY FOR ADMISSION :**

Students possessing following qualification are eligible for admission to PGDCMM Course –

1. A Bachelor's Degree in any faculty of any Statutory University or any other recognized Foreign University.
2. Any Diploma awarded by Board of Technical Education of any State Government or Central Government and experience as follows
  - a) Post SSC three year Diploma with two years' post Diploma Experience or
  - b) Post HSC two year Diploma with one year's Post Diploma experience.

**(III) STRUCTURE OF COURSE :**

The course will have six papers carrying 100 marks each as follows.

**Course structure for Post Graduate Diploma in Capital Market Management (PGDCMM)**

<b>Code</b>	<b>Subject Title</b>	<b>Examination</b>	<b>Marks</b>
101	Management Principles & Practices	External	100
102	Market of new issues	External	100
103	Secondary Markets	External	100
104	Investment Analysis	External	100
105	Portfolio Theory and Management	External	100
106	Project Report	Internal	100

**(IV) ASSESSMENT AND STANDARD OF PASSING**

1. The papers marked as “External” in course structure are meant for external evaluation by the University and carry 100 marks each. Out of these 100 marks , 70 marks are reserved for University evaluation based upon comprehensive written Examination and 30 marks are reserved for Internal evaluation by the individual Institute. The paper marked as Internal in the course structure ( ie project report ) also carries 100 marks and is meant for only internal evaluation by the individual institute.
2. Every student must secure 40% marks in both University evaluation as well as Internal evaluation for passing
3. Marks awarded by individual institute in the internal evaluation must be communicated by them to the University before the commencement of University Examination.
4. The minimum standard of passing will be 40 percent marks in each paper for internal as well as external heads.
5. Each student is expected to complete the Project Report of not less than 5000 words and submit a copy of the Report .to the Director of the institute before 31<sup>st</sup> January. The report must be based upon first hand study of some aspect of Capital Market under guidance of the faculty of the institute. The faculty will internally evaluate the Report and the marks will be communicated by the individual institute to the University before the commencement of University Examination.

**(V) BACKLOG**

A student who fails in any subject in the internal or external examination shall be allowed to reappear for the same with the fresh batch in the next academic year.

**(101) Management Principles and Practices**

1. Introduction to Management –Theory and Practices, .
2. Systems Approach to Management.
3. Functions of Management
4. Management of Stock Exchanges in India – Evolution, – Regulation and Supervision – Role of SEBI – Membership, Listing, Types of Exchanges – National, Regional, Local.
5. Social Responsibility of Exchanges
6. Corporate Governance and Stock Exchange
7. Management of Mutual Funds.
8. Study of functions of BSE and NSE
9. Role of RBI as controller of Money Market

***Books Recommended***

1. Management Practices – V. Murthy
2. Management for Results – Peter Drucker
3. Stock Exchanges and Investment – V. Raghunathan
4. Financial Management – R. P. Rastogi
5. OTC Exchange of India – Nipum S. Mehta.

**(102) Market of New Issues**

1. Market of new issues – Need for floating capital – Public Offer Private Placement – Rights Issue – Equity and Debt – Recent trends in public issues.
2. Mutual Funds – Concept and Classification – Growth and Importance – SEBI guidelines – Performance of listed schemes – Performance of Open-ended schemes.
3. Merchant Banking –Concept – New Issue Management and allied functions – Merchant Banking in India – Regulation of merchant Banking in India – Pre issue Management – Post Issue Management – Mergers, Amalgamations and Takeovers.
4. Venture Capital – Nature and Scope – Venture Capital in India — Venture Capital Firms – Study of Venture Capital funds of IDBI and SIDBI.

5. NRIs and FII's – Concept – Investment Portfolio – Role of Foreign Investment – Foreign Direct Investment- Collaboration – Guidelines of Government of India for FII's.
6. Analysis of Financial statement – Need for following International Standards of Accounting.

***Books Recommended –***

1. Merchant Banking – Principles and Practices – H. R. Machuraju
2. Performance Appraisal for Mutual Funds – M. S. Turan, B. S. Bodlay
3. New Issues Capital Market in India – M. A. Mulay
4. Study in Indian Financial System – V. A. Avdhani
5. The New Issues Market – O. K. Sur

**(103) Secondary Markets**

1. Trading in Security – Securities Contract Regulation Act, 1956 – Companies Act, 1956, FEMA
2. Instruments of Trading – Need for planning and development for financial instruments – Government and Corporate Securities.
3. Trading Methods – Trading Ring, On-line Trading, Carry Forward Systems – Risk management – Investor Protection.
4. Government Securities Market – Government Debt Instruments – Short Term and Long Term Instruments – Trading in Debt Instruments – Gilt Edged Market.
5. Securities Market Indicators – Sensex – Study of fixation of indices.
6. Interest rates – Role of Interest rates in determining value of security – Interest rates and its influence on money market and capital market.
7. Indian Depository System – Need – Paperless Trading – Benefits – Need for educating investors
8. Derivatives trading in stock markets, NIFTY Futures and Options

***Books Recommended –***

1. Foreign Exchange Manual – D. T. Khilnani
2. Futures and Options – R. Mahajan
3. Derivatives – T. V. Somnathan
4. Trading on-line – Alephs Patel
5. India Security Market – O. P. Gupta

#### **(104) Investment Analysis**

1. Investment Analysis – Need for savings and investment – Role of savings practices –financial intermediaries – linkage between financial and real savings – Importance of household savings – Shifts in Savings and investment.
2. Financial Systems in India –Money Market – Debt Market – Capital Market – Need for correlating them – Bullion Market and Foreign Exchange Market.
3. Security Market Analysis – Need for study and research of market data – Factors influencing behaviour of market – Valuation of Shares and securities – Methods of valuation.
4. Investment Avenues – Objectives of investors – Characteristics of investments – Risk Return relationship – Classes of instruments – Investment portfolio for average household.
5. Security Pricing – Influencing factors – Valuation – Constant Growth Model – Book value – Liquidity Value – Intrinsic Value – Market Price – Bond Valuation – Single Period valuation Model – Multi Period Valuation Model –Dividend capitalization – Valuation of Security in India.
6. Technical Analysis of market – meaning and Importance – Timing of investment – Basic Terms – Dow theory – Major trends – Breadth of the markets – Volume of Trading – Principles of Technical Analysis – Oscillatory.
7. Fundamental Analysis.

#### ***Books Recommended –***

1. Investment and Securities Markets in India – V. A. Avdhani.
2. Study of Indian Financial System – V. A. Avdhani
3. Financial Management – R. S. Rustogi
4. Indian Securities Market – O. P. Gupta.

**(105) Portfolio Theory and Management**

1. Portfolio Regulation and Management – Need – Traditional Approach – Efficient Market Hypothesis – Approaches to Portfolio Theory and Practices – Need for costing – Share Costing – Risk and Return.
2. Portfolio Analysis – Theory and Practices – Risk Analysis – Types of Risks – Risk Management – Diversification of risk – Analysis of risk – Building a balanced portfolio.
3. Characteristics of portfolio – Principles and Practices – Characteristics of Portfolio Analysis – Liquidity Vs. Safety – Income Vs. growth – Short Term and Long Term – Risk Vs. Return – Need for insuring risk to attract stable investors.
4. Revision of Investment Portfolio – Diversification of Investment Portfolio – International Scenario influencing portfolio – Need for reviewing portfolio constantly.
5. Regulation of Investment Portfolio – Evaluation of investments in terms of market trends – Shape of Optimal Portfolio – Need for Investment Consultancy – Importance of Computer data Analysis for Security Analysis and Portfolio Analysis.
6. Foreign Portfolio investments - Setting of country funds – Global Depository Receipts – Issues faced by Foreign Portfolio Investors.

***Books Recommended –***

1. Portfolio Analysis and Management – Ballad
2. Modern Portfolio Theory and Investment Analysis – Edwin J. Elton and Martin J. Grubor.
3. Security Analysis and Portfolio Management – Fisher and Gordon
4. Security Analysis and Portfolio Management – V. A. Avdhani
5. Financial Engineering : A complete guide to financial innovation – Marshal / Bansal.

**(106) Project Report**

1. Each student shall undertake a first hand study of some aspect of capital market in India .
2. The student shall write a project report of not less than 5000 words under the guidance of an internal teacher based on his study
3. The student shall submit a typed copy of the project report to the Institute before 31<sup>st</sup> January .
4. The faculty of the institute will internally evaluate the report and marks will be communicated by the institute to the University along with marks for internal evaluation for all other papers.
5. No student can appear for annual examination unless he submits project report.