

## **Syllabus of PG Entrance Test for Admission to One-Year M.Com Programme in Finance for Academic Session 2026**

### **UNIT I**

Financial Systems: Functions and structure of financial system, Indian financial system, Financial Dualism, Financial Sector reforms, SEBI, Role & its Functions; Financial instruments, Debentures, Shares, ADRs, GDRs and ECBs.

### **UNIT II**

Money Market: Functions, Constituents of Money Market: Call Money Market, Capital Market: Structure and Functions of Capital Market; Primary Market its role & Functions, Methods of selling securities in Primary Market. Underwriters, Lead Managers, Brokers, Bankers & Registrars. Secondary Market stock Exchanges, Types of Stock Exchanges, Listing & De- Listing of securities

### **UNIT III**

Financial Services: Objectives, characteristics, classification and constituents. Lease Financing: introduction, types of leasing, income tax considerations. Hire Purchase Finance: introduction, characteristics, advantages of hire purchase and its methods. Factoring: concept, types and functions of factoring, factoring vs. Forfeiting. Venture Capital Financing.

### **UNIT IV**

Joint Stock Companies; Public Limited & Private Limited Companies. Banking & Insurance Companies, Regulatory Framework for preparation and reporting of financial statements in India. Standalone Financial Statements Consolidated Financial Statements, Comparative Financial Statements and Cash- Flow Statement. Window Dressing of Financial Statements. Financial Statement Analysis: significance & Limitations. Techniques of Financial Statement Analysis- Liquidity, Operational, Solvency and profitability Analysis.

### **UNIT V**

Public Debt: Theories of Public Debt. Forms of Public Debt, Burden of Public Debt and Shifting of Public Debt, Redemption of Public Debt. Effects of Public Debt on Production, Distribution and Consumption. Deficit Financing: Concept of Deficit Financing, Deficit Financing and Price Level. Limits of Deficit Financing.

### **UNIT VI**

Technical Analysis Philosophy & Rationale. Emergence of Technical Analysis. Technical Analysis Vs Fundamental Analysis. The Basic Principle of Technical Analysis: The Trend Analysis. Technical Analysis & Random Walk Theory. Behavioral Finance & Technical Analysis. Criticism of Technical Analysis.

### **UNIT VII**

Investment: Investment, Speculation & Gambling. Types of Investments: Short-Term, Common Stock, Fixed-Income Securities, Mutual Fund, Exchange Traded Funds, Hedge Funds & Derivatives Securities. Security Market & Transactions: Broker Markets & Dealer Markets. General Market Condition: Bull & Bear Markets. Types of Securities Transactions: Long Purchase,

Margin Trading & Short Selling.

### **UNIT VIII**

Corporate Governance: Emergence of Corporate Governance. Issues in Corporate Governance. Board of Directors & Corporate Governance: Legal Position of a Director, Power, Duties & Responsibilities of Directors. Whistle Blowing & Corporate Governance: Whistle Blower & Informants. The Factors Influencing the Whistleblower in Disclosing Wrong doing.

### **UNIT IX**

Introduction: Principles and Goals of Financial Management. Profit Maximization *vs* Wealth Maximization. Agency- Relationship conflict: Director- Shareholder Conflict and Manager- Shareholder Conflict. Economic value added concept. Risk and Return: meaning, methods of measuring risk: Expected Return, Standard Deviation, Co-efficient of variation, and Beta coefficient; Portfolio Risk and Measurement of standalone and Portfolio Return.

### **UNIT X**

Time Value of Money: Computation of present value: Single Cash Flow, Annuity & Uneven Cash Flow. Computation of future value: Single Cash Flow, & Annuity. Intra-year Compounding and Discounting. Special Applications of Time Value: Deposits to accumulate a certain Sum, Loan Amortization and Interest/Growth rates.

### **UNIT XI**

Security Analysis and Investment Decisions. Fundamental Analysis: Objectives and Scope. Industry Analysis: Need & Importance. Industry Life Cycle Analysis. Structure & Characteristics of an Industry. Profit Potential of an Industry: Porter's Model. Company Analysis: Need & Scope. Quantitative Analysis: Dividend Discount Method, Price Earning Approach. Qualitative Analysis.

### **UNIT-XII**

Concepts of Working Capital. Operating and Cash Conversion Cycle. The Matching principle: Permanent Working Capital & Temporary Working Capital. . Balanced Working Capital Position. Determinants of Working Capital. Issues in Working Capital Management, Estimating Working Capital Needs, Negative Cash Flow Shocks & Positive Cash Flow Shocks. Policies for Financing Current Assets.

### **UNIT-XIII**

Entrepreneurship as a Career Choice; Who is an Entrepreneur; Types of Entrepreneurs; Interpersonal Competencies/Traits; Theories of Entrepreneurship. (Case Study of Successful Entrepreneurs & Interaction with of Leading Entrepreneurs) Spotting & Crafting a Business Opportunity; Business Planning; Conducting Feasibility Study; Preparation of Project Report; Sources of Finances. (Case Study on Feasibility - cum- project report & Brainstorming Session

## **UNIT-XIV**

Portfolio Management: Portfolio Diversification: Avoiding Disaster. Risk and Return: Expected Risk and Return from a portfolio. Portfolio Analysis & Selection. Portfolio Planning: The Investment Policy Statement, Major Components of an IPS, Gathering Client Information. Portfolio Construction: Capital Market Expectations, the Strategic Asset Allocation, Steps toward an Actual Portfolio. Investment Clients: Individual Investors & Institutional Investors. Pooled Investments: Mutual Funds & Other Investment Products.

## **UNIT-XV**

Portfolio Risk and Return-I. Investment Characteristics of Assets: Return, Variance and Covariance of Returns, Historical Return and Risk, Other Investment Characteristics. Risk Aversion and Portfolio Selection: The Concept of Risk Aversion, Utility Theory and Indifference Curves. Portfolio Risk: Portfolio of Two Risky Assets, Portfolio of Many Risky Assets. Efficient Frontier and Investor's Optimal Portfolio: Investment Opportunity Set, Minimum-Variance Portfolios, A Risk-Free Asset and Many Risky Assets, & Optimal Investor Portfolio.

## **UNIT-XVI**

Management of Bank Loans: Characteristics of commercial loans: Loan policy in a commercial bank, evaluating loan application - credit information, credit analysis, credit decision; Priority sector lending policies of commercial banks in India. Objectives of credit management. 6 C of Credit. Working Capital versus Term loans. Factors affecting level of working capital. Operating Cycle. Factors to be considered for term loan proposal assessment. Types of charge: Hypothecation, Pledge, Lien, Assignment, Mortgage etc.

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