



<b>Program</b>	Master of Business Administration (MBA)	<b>Semester - 3</b>
<b>Type of Course</b>	Major	
<b>Prerequisite</b>		
<b>Rationale</b>	-	
<b>Effective From A.Y.</b>	2024-25	

Teaching Scheme (Contact Hours)				Examination Scheme				
Lecture	Tutorial	Lab	Credit	Theory Marks		Practical Marks		Total Marks
				T	T	P	P	
4	-	-	4	50	30	-	-	150

*SEE - Semester End Examination, T - Internal Theory, P - Internal Practical*

Course Content		T - Teaching Hours   W - Weightage	
Sr.	Topics	T	W
1	<b>Module I</b> <ul style="list-style-type: none"> <li>Introduction to Risk Management</li> <li>Introduction to derivatives</li> <li>Derivatives market &amp; its regulatory framework in India.</li> </ul>	15	25
2	<b>Module II</b> <ul style="list-style-type: none"> <li>Forwards &amp; Futures</li> <li>Commodity Futures</li> <li>Stock &amp; Index Futures</li> <li>Interest rates &amp; Forwards</li> </ul>	15	25
3	<b>Module III</b> <ul style="list-style-type: none"> <li>Option Pricing –Basics</li> <li>Binomial model</li> <li>Put-Call Parity</li> <li>Black-Scholes Model</li> <li>Option Greeks- The sensitivities</li> <li>Option trading strategies</li> <li>Exotic options</li> </ul>	15	25
4	<b>Module IV</b> <ul style="list-style-type: none"> <li>Swaps: Interest rates &amp; currency.</li> <li>Weather, energy and insurance Derivatives-Real Options-Derivative mishaps-lessons</li> </ul>	15	25
<b>Total</b>		<b>60</b>	<b>100</b>

Suggested Distribution Of Theory Marks Using Bloom's Taxonomy				
Level	Understanding	Analyze	Evaluate	Create
<b>Weightage</b>	25	25	25	25

*NOTE : This specification table shall be treated as a general guideline for the students and the teachers. The actual distribution of marks in the question paper may vary slightly from above table.*



### Course Outcomes

At the end of this course, students will be able to:

CO1	Describe the characteristics of financial derivatives and their role in managing market risk
CO2	Calculate the futures and options price with cost of carry, binomial and BS Models on real time data from exchanges for hedging & other purposes & analyze them with current market price & trends
CO3	Simulate hedging strategies using financial derivatives
CO4	Comprehend latest developments in financial derivative products

### CO PO Mapping

CO	CO - 1	CO - 2	CO - 3	CO - 4
PO - 1	3	2	2	3
PO - 2	1	3	3	1
PO - 3	0	1	1	0
PO - 4	3	0	0	3
PO - 5	0	1	1	1

### Reference Books

1.	<b>Derivatives and Risk Management (TextBook)</b> By Sundaram Janakiramanan   Pearson Education Publication   Latest Edition
2.	<b>Derivatives &amp; Risk Management (TextBook)</b> By Rajiv Srivastava   Oxford University Publication   Latest Edition
3.	<b>Derivatives &amp; Risk Management</b> By R. Madhumathi, M. Ranganatham   Pearson   2014 / 2nd
4.	<b>Derivatives &amp; Risk Management</b> By Jayanth Verma   McGraw Hill Publication   Latest Edition