



PANJAB UNIVERSITY, CHANDIGARH-160014 (INDIA)

(Estd. under the Panjab University Act VII of 1947-enacted by the Govt. of India)

**FACULTY OF BUSINESS MANAGEMENT
AND COMMERCE**

**OUTLINES OF TESTS SYLLABI AND COURSES OF
READING**

FOR

M.COM(Accounting and Finance)

For the session 2014-15

SYLLABI FOR M.COM (ACCOUNTING AND FINANCE)

Note:

- 1. Examination in each subject will be of 3 hours duration.*
- 2. Maximum marks for external/written examination is 50 marks and internal assessment is 50 marks except for seminar and workshop courses.*

Instructions to the paper setters:

IF THERE ARE TWO UNITS: Set 10 questions in all. Five questions from each unit. The students are required to answer five questions in all, selecting at least 2 questions from each unit.

IF THERE ARE FOUR UNITS: Set 10 questions in all. Two or three questions from each unit. The students are required to answer five questions in all, selecting at least one question from each unit.

N.B.: Use of non-programmable calculators by the students in the Examination Hall is allowed. The calculators will not be provided by the University.

Subject Code	Paper Title	Marks
<u>First Semester</u>		
MAF6101	Organisational Behaviour	100
MAF6102	Advanced Economic Theory	100
MAF6103	Introduction to Quantitative Methods	100
MAF6104	Financial Management	100
MAF6105	Business Environment	100
MAF6106	Workshop on Computer Applications	50
MAF6107	Workshop on Communication Skills	50
		Total <u>600</u>
<u>Second Semester</u>		
MAF6201	Management Accounting	100
MAF6202	Management of Financial Services	100
MAF6203	Mergers and Acquisitions	100
MAF6204	Corporate Tax Planning	100
MAF6205	Research Methodology	100
MAF6206	Summer Training and Viva-Voce*	100
		Total <u>600</u>

**At the end of the examination of the second semester the students will undergo compulsory summer training for a period of 6-8 weeks. Every student will submit the summer training report within two weeks from the start of teaching for the third semester.*

Subject Code	Paper Title	Marks
<u>Third Semester</u>		
MAF7101	Strategic Cost Management	100
MAF7102	Multinational Banking	100
MAF7103	Financial Reporting and Analysis	100
MAF7104	Security Analysis and Portfolio Management	100
MAF7105	Bank Management	100
MAF7106	Insurance Management	100
	Total	600
<u>Fourth Semester</u>		
MAF7201	Business Ethics and Corporate Governance	100
MAF7202	Management Control Systems	100
MAF7203	International Financial Management	100
MAF7204	Project Management and Control	100
MAF7205	Financial Engineering	100
MAF7206	Comprehensive Viva-Voce from syllabuses of all the four semesters	100
	Total	600

FIRST SEMESTER

MAF6101: ORGANISATIONAL BEHAVIOUR

Objective: *This course emphasizes the importance of human capital in today's organisations. It gives an insight to the students regarding individual and group behavior in any organisation.*

UNIT-I

Introduction to organisational behaviour (OB) ó concepts, foundations, contributing disciplines to OB, role of OB in management practices, challenges and opportunities for OB, OB in the context of globalization, scientific management and human relations tools ó Hawthorne experiment, introduction to human behavior, perception, values, attitudes and job satisfaction ó meanings, importance and relevance.

UNIT-II

Personality ó meaning, determinants, theories, MBIT and big five model, leadership ó theories, determinants, style and challenges to leadership in India; motivation and morale ó concept and applications; communication ó interpersonal communication, listening, feedback, counseling, organisational communication.

UNIT-III

Meaning of group ó theories and five stage model of group formation ó types of groups and groups relevant in organisations; group process ó group and intergroup behaviour, group decision making; team management ó types of teams, teams in modern workplace, team vs. group; power ó concept, bases of power, distinction between power and authority, power distribution in organisation; work stress ó causes, organizational and extra organisational stressor, individual and group stressor, effect of stress, stress coping strategies.

UNIT-IV

Conflict and inter-group behavior ó sources of conflict, types of conflict, functional and dysfunctional aspects of conflict, approaches to conflict management; organisational culture ó functions of organisational culture, creating and sustaining of organisational culture, development and implications of organisational culture; organisational effectiveness ó concept and approaches to organisational effectiveness, factors in organisational effectiveness, effectiveness through adaptive coping cycle, organisational health development, emotional intelligence.

References

1. Bennis, W.G., *Changing Organizations: Essays on the Development and Evolution of Human Organizations*, McGraw Hill Companies.

2. Brooks, I., *Organisational Behaviour, Individuals, Groups and Organization*, Pearson Education.
3. Luthans, F., *Organizational Behaviour*, McGraw-Hill Companies.
4. Newstrom, J.W. and Davis, K., *Organizational Behavior: Human Behavior at Work*, McGraw Hill Companies.
5. Pareek, U., *Understanding Organizational Behaviour*, Oxford University Press.
6. Robbins, S.P., Judge, T. and Sanghi, S., *Organizational Behavior*, Pearson Education.
7. Steers, R.M. and Black, J.S., *Organizational Behaviour*, Harper Collins College Publishers.
8. Weiss, P., *Organizational Behaviour and Change*, St. Paul, West.

MAF6102: ADVANCED ECONOMIC THEORY

Objective: *This course aims to acquaint students with the concepts of economic theory and their use in business decision making. The effort is to make them capable of using various concepts to deal with business problems in a global economic environment.*

UNIT-I

Nature and scope of business economics ó demand theory and techniques for demand estimation, demand forecasting, production function for single product, production function for multiple product, empirical evidence on the shape of cost curves, relevance of cost theories in business decision-making.

UNIT-II

Market structure and degree of competition ó competitive markets, Pareto optimality and competitive equilibria, partial equilibrium competitive analysis, welfare theorems, free-entry and long-run competitive equilibria; monopoly and oligopoly, monopoly pricing, static models of oligopoly.

UNIT-III

Utility analysis – types of utility, relationship between total utility and marginal utility; critical appraisal of law of diminishing marginal utility, explanation of law of equi-marginal utility, derivation of demand curve with the help of utility analysis, validity of utility analysis in modern times.

UNIT-IV

Keynesian Analysis – Keynesian theory of employment, consumption function, investment function, multiplier, relevance of Keynesian economics after 1936; conceptual framework of national income, measures and methods of measurement, limitations of national income, inflation – definition, characteristics and types; inflation in terms of demand-pull and cost-push factors, effects of inflation.

References

1. Browning, E.K. and Browning, J.M., *Micro Economic Theory and Applications*, John Wiley and Sons.
2. Dean, J., *Managerial Economics*, Prentice Hall.
3. Duncan, W.R. and Crook, J.N., *Managerial Economics*, Pearson Education.
4. Koutsoyiannis, A., *Modern Microeconomics*, Macmillan.
5. Paul, S., Gupta, G. and Mote, V., *Managerial Economics*, Tata McGraw Hill.
6. Peterson and Lewis, *Managerial Economics*, Prentice Hall of India.
7. Salvatore, D., *Microeconomics*, Oxford University Press.
8. Shapiro, E., *Macro Economics*, Galgotia Publishers.
9. Stonier, A.W. and Hague, D.C., *A Textbook of Economics Theory*, Pearson Education.

MAF6103: INTRODUCTION TO QUANTITATIVE METHODS

Objective: *This course aims to acquaint the students with various statistical tools and techniques used for business decision making. The emphasis will be on their applications to business and economic situations.*

UNIT-I

Displaying and describing quantitative data – construction of frequency distributions and their analysis in the form of measures of central tendency and variations, types of measures, skewness – meaning and co-efficient of skewness, kurtosis; index numbers – definition and methods of construction of index numbers; tests of consistency, base shifting, splicing and deflation; problems in construction, importance of index numbers in managerial decision making.

UNIT-II

Correlation analysis – meaning and types of correlation, Karl Pearson's coefficient of correlation and Spearman's rank correlation, regression analysis – meaning and two lines of regression, relationship between correlation and regression co-efficient, time series analysis – measurement of trend and seasonal variations, time series and forecasting.

UNIT-III

Probability ó basic concepts and approaches, addition, multiplication and Bayes's theorem, probability distributions ó meaning, types and applications, binomial, Poisson and normal distributions.

UNIT-IV

Statistical inference ó concept of sampling distribution, parameter and statistics, standard error; theory of estimation ó point and interval estimation, construction and confidence limits for mean; tests of significance ó parametric vs. non-parametric tests; hypothesis testing, large samples,

small samples ó chi-square test, z-test, t-test, binomial test, analysis of variance; independence of attributes, goodness of fit and test of homogeneity.

References

1. Aczel, A.D. and Sounderpandian, J., *Complete Business Statistics*, Tata McGraw Hill.
2. Anderson, D.R., Sweeney, D.J. and Williams, T.A., *Statistics for Business and Economics*, Cengage Learning.
3. Anderson, D.R., Sweeney, D.J., Williams, T.A., Camm, J.D., and Cochran, J.J., *Quantitative Methods in Business*, Cengage Learning.
4. Bhardwaj, R.S., *Business Statistics*, Excel Books.
5. Gupta, S.P. and Gupta, M.P., *Business Statistics*, Sultan Chand and Sons.
6. Levin, R., *Statistics for Management*, Dorling Kindersley.

MAF6104: FINANCIAL MANAGEMENT

Objective: *This course aims to acquaint students with the basic analytical techniques and methods of financial management of business firms. The course also provides students an exposure to certain sophisticated and analytical techniques that are used for taking financial policy decisions.*

UNIT-I

Financial management – scope, finance functions and its organisation, objectives of financial management; time value of money; sources of long term finance; financial forecasting: sales forecast, preparation of proforma income statement and balance sheet growth and external funds requirement (EFR).

UNIT-II

Investment decisions – importance, difficulties, determining cash flows, methods of capital budgeting; risk analysis (risk adjusted discount rate methods and certainty equivalent methods); cost of different sources of raising capital; weighted average cost of capital.

UNIT-III

Capital Structure decisions – leverage, measuring and analyzing the implications of leverage, operating leverage, financial leverage and total leverage; capital structure theories – NI, NOI, traditional and M-M theories; capital structure policy, business and financial risk, a total risk perspective - business and financial risk, a market risk perspective; determinants of capital structure, decision approach to estimating the target capital structure, variations in capital structures, EBIT/EPS analysis and ROI/ROE analysis.

UNIT-IV

Dividends and working capital management – theories of dividend, Walter, Gordon and MM models, dividend and uncertainty, relevance of dividend, dividend policy in practice, forms of dividends, stability in dividend, corporate dividend behaviour; working capital ó meaning, need, determinants, estimation of working capital need, financing of working capital and norms of bank finance, sources of working capital, various committee reports on bank finance, dimensions of working capital management; management of cash, inventory, and receivables.

References

1. Archer, S.H., Choate, G.M., and Racette, G., *Financial Management*, John Wiley and Sons.
2. Block, S. B. and Geoffrey, Hilt, A., *Foundations of Financial Management*; Richards D. Irwin.
3. Brigham, E.F. and Houston, J.F., *Fundamentals of Financial Management*, Cengage Learning.
4. Chandra, Prasanna, *Financial Management*, Tata McGraw Hill.
5. Keown, Arthur J., Martin, John D., Petty, J. William and Scott, David F., *Financial Management*, Pearson Education.
6. Khan M.Y. and Jain P.K., *Financial Management*, Tata McGraw Hill.
7. Pandey, I.M., *Financial Management*, Vikas Publishing House.
8. Van, Horn and James, C., *Financial Management and Policy*, Prentice Hall of India.

MAF6105: BUSINESS ENVIRONMENT

Objective: *This course aims to expose the students to the effect of various national and global environmental factors on business processes and enable them to scan business opportunities and take decisions under uncertainty.*

UNIT-I

Concept of business environment – its significance and nature, interaction matrix of different environment factors, process of environmental scanning, environmental scanning of important industries of India.

UNIT-II

Economic environment – the philosophy, strategy and planning in India, monetary policy and their impact on Indian business; economic reforms in India ó liberalization, privatization and globalization; competitive strength of Indian industry, industrial policy, foreign trade policy and their impact on Indian business, political environment, relation between business and government of India, constitutional provisions related to business, concept of state intervention in business, ideology of different political parties, bureaucracy and Indian business.

UNIT-III

Technological environment ó policy for research and development in India, appropriate technology, debate of technology vs. labour, MNC as a source of transfer of technology and its implication, institutional infrastructure for exports in India, India's export-import policy, global business environment, significance of foreign investment in India, opportunities and threats in WTO and the new international trading regime, tariff and non tariff barriers in global trade.

UNIT-IV

Socio-cultural environment in India ó salient features of Indian culture, values and their implication for Indian business, middle class in India and its implications on industrial growth in India, consumerism as emerging force, social responsibility of business, business ethics and Indian business, impact of mass media on Indian business; changing role of rural sector in India ó rural income and rural demand of consumer durable; environmental laws, costs and business behaviour; consumer laws, cost and business behaviour.

References

1. Adhikari, A., *Economic Environment of Business*, Sultan Chand and Sons
2. Adhikary, M., *Business Economics*, Excel Books.
3. Aswathappa, K., *Essentials of Business Environment*, Himalaya Publishing House.
4. Baron, D.P., *Business and Its Environment*, Prentice Hall.
5. Cherulimum, F., *Business Environment*, Himalaya Publishing House.
6. Puri, V.K. and Misra, S.K., *Indian Economy*, Himalaya Publishing House.

MAF6106: WORKSHOP ON COMPUTER APPLICATIONS

Objective: *This course aims at developing skills in handling computer and its use as a strategic resource in management.*

UNIT-I

Introduction to computers (hardware, software, and operating system) – overview of computer applications in public services, business and industry; Microsoft word ó mail merge, hyperlinks and bookmark; Microsoft excel ó mathematical calculation, sorting, filtering, pivoting, chart, macro, using financial accounting and statistical formulae, basic financial statements, financial ratios, financial forecasting, break-even and leverage analysis, future and present value, annuities, uneven cash flow stream, non-annual compound periods, valuation and rate of returns.

UNIT-II

Microsoft power point ó creating effective presentations, introduction to DBMS concepts; Microsoft access ó creating a database/report/query/form design, using access to create accounting data, modify entries and generation of trial balance, profit and loss statements and

balance sheets; use of on-line databases (RBI/World Bank/IMF, etc.) in terms of data extraction and report generation.

UNIT-III

Introduction to Tally ó creating and configuring the new company accounts and inventory management system; account masters maintenance ó account vouchers maintenance, inventory masters maintenance, inventory vouchers maintenance; reports, business management and advanced usage, accounting and inventory report, MIS reports, budget and scenario management, forex management, manufacturing, group company, payroll-tax.

UNIT-IV

Security and control of information systems, ethical and social dimensions of networks, basic usage of SPSS software (import/export of data, commands like open, save, etc., applying basic statistical analysis); application of computers in project management – features, capabilities and limitations of project management software (with reference to popular software, viz., MS-Project).

References

1. Basandra, S.K., *Computers Today*, Galgotia Books.
2. Mayes, T.R., and Shark, T.M., *Financial Analysis With Microsoft Excel*, Dryden Press.
3. Meredith, J.R., and Mantel, S. J., *Project Management: A Managerial Approach*, Wiley.
4. Nadhani, A.K. and Nadhani, K.K., *Implementing Tally 9.0*, BPB Publications.
5. Powell, T., *The Complete Reference to HTML*, McGraw Hill.
6. Rajaraman, V., *Fundamentals of Computers*, Prentice Hall.
7. Ram, B., *Computer Fundamentals*, New Age Publications.
8. Sinha, P.K. and Sinha, P., *Foundation of computing*, BPB Publications.
9. Taxali, R., *PC Software Made Simple*, Tata McGraw Hill.

MAF6107: WORKSHOP ON COMMUNICATION SKILLS

Objective: *This course aims at developing the communication skills of students – both written and oral. The students will also be taught how to analyze cases and prepare case reports.*

UNIT-I

Introduction to business communication – elements of the communication models, types of communication, barriers to communication, cardinal principles of communication, communication policy, interpersonal communication; body language, postures and gestures, attire, appearance, handshake, personal space, timing behavior, smile; introduction to listening skills – process, types, barriers and importance, essentials of good listening; an introduction to the case method ó steps in case analysis.

UNIT-II

Principles of written communication – business letters ó their basic qualities, opening and closing paragraphs, mechanics of letter writing; specific types of letters ó routine letters, bad news letters, persuasive letters, sales letters, collection letters, job applications letters, internal communication through circulars and memos, minutes and notices, letters from top management, reminders and follow up, employee newsletters.

UNIT-III

Principles of oral communication – speeches ó speech of introduction, speech of thanks, occasional speeches, theme speech; mastering the art of giving interviews in the following ó selection or placement interview, appraisal interview, exit interview; group communication ó meetings, conferences and group discussions.

UNIT-IV

Special topics in business communication – report writing, principles of effective presentations including use of audio-visual media, business and social etiquette.

References

1. Courtland L.B., *Business Communication Today*, Pearson Education.
2. Locher, K.O. and Maczmarch, S.K., *Business Communication: Building Critical Skills*, McGraw Hill Companies.
3. Murphy, H.A., Hildelrandt, H.W., Thomas, J.P., *Effective Business Communication*, McGraw Hill Companies.
4. O'Rourke, J.S., *Management Communication: A Case Analysis Approach*, Pearson Education.
5. Rao, S.S., *Handbook for Writers and Editors*, Ahmedabad Management Association.
6. Lesikar, R.V. and Flatley, M.E., *Basic Communication: Skills for Empowering the Internet Generation*, Tata McGraw Hill.
7. Ludlow, R. and Panton, F., *The Essence of Effective Communications*, Prentice Hall of India.

SECOND SEMESTER

MAF6201: MANAGEMENT ACCOUNTING

Objective: *This course aims to acquaint the students about the role, concepts, techniques and methodology relevant to accounting function and to impart knowledge regarding the use of cost accounting information in managerial decision making.*

UNIT-I

Conceptual basis of accounting ó nature and purpose of accounting, basic accounting concepts and conventions underlying preparation of financial statements, forms of business organisation, accounting records; balance sheet equation, completing accounting cycle; preparation of profit and loss account and balance sheet as per the Schedule VI of Companies Act, 1956.

UNIT-II

Financial reporting and analyzing ó revenue recognition and measurement, inventory valuation, fixed assets, depreciation accounting, intangible assets accounting, financial statement analysis, ratio analysis, common size statement, comparative statement analysis, trend analysis, cash flow analysis, accounting for price level changes, human resource accounting, social and environmental accounting.

UNIT-III

Cost accounting ó objectives, cost accounting and management accounting, understanding and classifying costs, overhead allocation, preparation of cost sheet; introduction to methods of costing, techniques of costing, managerial costing and managerial implication, cost-volume-profit analysis, budgetary control, standard costing and variance analysis.

UNIT-IV

Contemporary issues in management accounting ó value chain analysis, activity based costing and activity based budgeting, target and life cycle costing, quality costing.

References

1. Anthony A.A., Banker, R.D., Kaplan, R. and Young, S.M., *Management Accounting*, Prentice Hall.
2. Colin, D., *Management and Cost Accounting*, Thomson Learning.
3. Horngren, C.T., Sundem, G.L., and Stratton, W.O., *Introduction to Management Accounting*, Prentice Hall of India.
4. Jan, R.W., Haka, S.F., Bettner, M.S., and Meigs, F. R., *Financial and Managerial Accounting: The Basis for Business Decisions*, Tata McGraw Hill.
5. Khan, M.Y. and Jain, P.K., *Financial Management: Text and Problems*, Tata McGraw Hill.

6. Lal, J., *Advanced Management Accounting: Text, Problems and Cases*, S. Chand and Co., New Delhi.
7. Lev, B., *Financial Statement Analysis: A New Approach*, Prentice Hall.
8. Porwal, L.S., *Accounting Theory: An Introduction*, Tata McGraw Hill.
9. Ramachandran, N. and Kakani, R.K., *Financial Accounting for Management*, Tata McGraw Hill.
10. Swamy, R.N., *Financial Accounting: A Managerial Perspective*, Prentice Hall of India.

MAF6202: MANAGEMENT OF FINANCIAL SERVICES

Objective: *This course aims at acquainting the students with the developments in the areas of financial services and developing their skills to manage financial services .It will give an insight into the strategic, regulatory, operating and managerial issues concerning various financial services.*

UNIT-I

Overview of financial services – overview, environment and importance of financial services in an economy, constituents and cultures prevailing in the financial services sector, functional classification of financial services providers, major forces driving the world's financial services; evaluation and role of financial services companies in India, evolution of non-bank financial companies (NBFCs) - services provided, comparison with banks, regulatory framework, categories of NBFCs; innovative sources of financing; securitization concept – securitization as a funding mechanism, mortgages – traditional and non-traditional, securitization in India; merchant banking – nature and scope, regulation of merchant banking activity, SEBI guidelines for public issues.

UNIT-II

Introduction to equipment leasing – introduction, history and development of leasing, concept and classification, types of leases, advantages, disadvantages, evolution of Indian leasing industry, leasing and commercial banking sector, product profile, legal aspects of leasing, lease documentation, lease agreement, tax aspects of leasing, appraisal criteria, risks in leasing business, leasing frauds, lease evaluation – the lessee's angle, the lessor's angle, negotiating lease rentals, lease accounting and reporting: IAS-17, Ind AS 17, form vs. substance debate; hire purchase – concept, characteristics, mathematical evaluation, legal, tax and accounting aspects, the Hire Purchase Act, 1972, leasing vs. hire-purchase; mutual funds (MFs) – evolution, types, regulation of MFs, organisation, structure, performance evaluation, design and marketing of MF schemes, analysis, and tax treatment of MF schemes, MF in India.

UNIT-III

Credit rating – concept, rationale, process, methodology, SEBI regulations for credit rating, Credit Rating Agencies Regulation, 1999, rating services offered including grading of real estate developers, rating of small and medium enterprises; consumer finance – role of consumer credit in the financial system, features, legal framework, credit screening methods, innovative

structuring of consumer credit transactions, product mix, Consumer Credit Act, 1974, credit cards – concept, types, billing and payment, settlement procedure, mechanism of transactions, member establishments, member affiliates, the concept of Visa Net.

UNIT-IV

Factoring – concept, forms, functions of factor, legal aspects, evaluation of factoring, factoring disputes, factoring vs. forfeiting, the report of the study group for examining introduction of factoring services in India, factoring *vis-à-vis* bill discounting, credit insurance, forfeiting, bill financing – bill of exchange, definition, steps in bill discounting, bill market in India; venture capital (VC) – nature and scope, role of venture capitalists and private equity firms, types of venture capital funds, investment focus and working capital mechanism, investment appraisal matrix, deal structuring, venture capital vs. debt financing, regulatory environment, VC investment process, evaluation criteria, limitations, VC in India.

References

1. Bansal, L.K., *Merchant Banking and Financial Services*, Tata McGraw Hill.
2. Bhole, L.M., *Financial Institutions and Markets: Structure, Growth and Innovations*, Tata McGraw-Hill.
3. Gurusamy, S., *Financial Markets and Institutions*, Thompson Learning.
4. Khan, M.Y., *Management of Financial Services*, Tata McGraw-Hill.
5. Kohn, M., *Financial Institutions and Markets*, Tata McGraw-Hill.
6. Padmalatha, S., *Management of Banking and Financial Services*, Sultan Chand and Sons.
7. Rose, P.S. and Hudgins, S.C., *Bank Management and Financial Services*, Tata McGraw Hill.
8. Sengupta, A.K., *International Factoring in India: Issues, Problems and Prospects*, Macmillan India.
9. Tripathy, N.P., *Mutual Funds in India: Emerging Issues*, Excel Books.

MAF6203: MERGERS AND ACQUISITIONS

Objective: *This course is an overview of corporate restructuring transactions that aims to develop an understanding of mergers and acquisitions (M&A) as a significant economic activity taking place in today's economy. It will expose students to transactions significantly affecting the corporation's assets, liabilities and/or equity claims and will stress the economic motives for undertaking them.*

UNIT-I

Corporate restructuring – introduction to the growing need for corporate restructuring, the alternative forms of corporate restructuring, shareholder value creation or destruction; types of mergers, merger characteristics and a historical overview of M&A activity, synergies in mergers, a framework for analysis of mergers, waves of mergers, drivers of M&A; strategic process –

defining corporate strategies, basic steps in strategic planning, approaches to formulating strategy, evolution of alternative approaches to strategy, strategy and M&A decisions; theories of mergers and tender offers – efficiency theories, information and signaling, agency problem and managerialism, free cash flow hypothesis, market power, tax considerations and their implication, hubris hypothesis, timing of mergers.

UNIT-II

Accounting, taxation and legal aspects of M&A – accounting for mergers and demergers, company law and competition act for M&A, SEBI's rules and regulations for M&A, share buyback guidelines, tax implications; merger and acquisition process – developing business and acquisition plans, implementation – search through closing, due diligence, deal structuring, tax and accounting considerations.

UNIT-III

Valuation of mergers and acquisitions – application of discounted cash flow method of valuation, dividend model and relative valuation techniques; determining the consideration for mergers; valuation of stock ó for stock consideration, calculation of share exchange ratio, fixed number of shares vs. fixed value, valuation of combined entity post merger, evaluating the synergy component in valuations; applying financial modeling techniques to value, structure, and negotiate M&As.

UNIT-IV

Other corporate restructuring activities – hostile takeovers, takeover defenses, application of financial modeling tools to evaluate acquisitions; going private and leveraged buy-outs - reasons for going private, historical trends in LBOs, sources of LBO financing, characteristics of an ideal LBO candidate, sources of gains in LBOs, management buy-out and management-ins, reverse LBOs; alternative exit and restructuring strategies – alliances/joint ventures, divestitures, spin-offs, equity carve outs, split-offs, split-up, comparing alternative exit strategies, choice of restructuring mode and determinants of returns to shareholders resulting from restructuring strategies.

References

1. Arzac, Enrique, *Valuation for Mergers, Buyouts and Restructuring*, Wiley.
2. Gaughn, P.A., *Mergers, Acquisitions and Corporate Restructurings*, Wiley.
3. Godbole, P., *Mergers, Acquisitions and Corporate Restructuring*, Vikas Publication.
4. Ramanujam, S., *Mergers et al.: Issues, Implications, and Case Laws in Corporate Restructuring*, Tata McGraw-Hill.
5. Watkins, M., *Harvard Business Review on Mergers and Acquisitions*, Harvard Business Review Press.
6. Weston, J.F., Chug, K.S. and Hoag, S.E., *Mergers, Restructuring and Corporate Control*, Prentice Hall.

7. Weston J.F., Mitchell, M.L. and Mulherin, J.H., *Takeovers, Restructuring and Corporate Governance*, Prentice Hall.

MAF6204: CORPORATE TAXATION

Objective: *This course aims to develop an understanding of issues related to taxation for corporate entities vis-à-vis management decision making to facilitate constructive planning of tax liability.*

UNIT-I

Introduction to corporate taxation – importance of tax planning as a management decision, minimizing tax liability, tax evasion, tax avoidance and tax planning, objectives and basis of tax planning; key terms related to tax assessment of companies – Indian company, domestic company, foreign company, investment company, residential status of a company, scope of total income, computation under different heads of income, carry forward and set off of losses, minimum alternative tax, provisions related to tax assessment of companies, tax assessment rates and exemption limits for companies.

UNIT-II

Tax planning for different entities – planning and location of undertaking, type of activities, ownership pattern, tax provisions for new businesses – export business, industrial undertakings and infrastructure development undertaking, SEZs, business in special category states, hotel industry, telecom industry, entertainment industry, IT, power, shipping and aircraft, oil and minerals, venture capital fund, mutual funds, insurance, construction, and retail business, related tax deduction allowed to respective industries.

UNIT-III

Tax planning *vis-à-vis* managerial decisions – capital structure decisions in wake of tax planning, provisions related to tax on dividend and deductions allowed, tax planning through bonus shares, lease or buy decisions, make or buy decision, repair/renewal or replacement decision; tax planning through employees' remuneration – fringe benefit of tax, ESOPs; tax consideration – make or buy, own or lease, close or continue, sale in domestic market and exports, replacement and capital budgeting decisions.

UNIT-IV

Emerging issues in tax planning – business restructuring and tax planning, tax and relief provisions under merger, amalgamation, acquisition, demerger; double taxation relief – bilateral and unilateral relief, various related provisions, and provisions related to advance tax computation and payment procedure; tax deduction at source – tax on salary, interest, dividend, interest other than interest on securities, winning from lottery, games, etc., insurance commission

and related provisions for deductions, managerial remuneration and tax consideration, foreign collaboration and joint ventures.

References

1. Agrawal, K.K., *Corporate Taxation*, Atlantic Publishers and Distributors.
2. Ahuja, G. and Gupta, R., *Corporate Tax*, Bharat Law House.
3. Datey V.S., *Indirect Taxes-Law and Practice*, Taxmann Publications, New Delhi.
4. Lakhotia, R.N. and Lakhotia, S., *Corporate Tax Planning Handbook*, Vision Books.
5. Singhanian, V.K., Singhanian K. and Singhanian. M., *Direct Taxes Law and Practice*, Taxmann Publications.
6. Singhanian, V.K., Singhanian, M., *Corporate Tax Planning and Business Tax Procedures*, Taxmann.

MAF6205: RESEARCH METHODOLOGY

Objective: *To course attempts to expose the students to the basic concepts of research methodology and application through practical exercises in the area of commerce and management.*

UNIT-I

Introduction and formulating a research problem – definition, characteristics and types of research, the research process; review of literature ó its objectives and significance in the stages of research process, types of reviews, sources of research literature; formulation of research problem ó sources of research problems, considerations, steps in formulating of research problem, the study population; identifying variables ó definition, types of variables, types of measurement scale; constructing hypothesis – definition, functions, testing, characteristics and types of hypothesis; conceptualizing a research design – selecting a study design in quantitative and qualitative research.

UNIT-II

Constructing data collection instrument and sample selection ó selecting a method of data collection – major approaches in information gathering, collecting data using primary sources, methods of data collection in qualitative research, collecting data using secondary sources; collecting data using attitudinal scales ó function and types; establishing the reliability and validity of research instrument ó types of validity in quantitative research, concept and methods of determining reliability of an instrument in quantitative research, methods of determining validity and reliability in qualitative research; sampling ó concept, principles, aims, types, non-random/non-probability sampling designs in quantitative research, systematic sampling design, calculation of sample size, sampling designs in qualitative research.

UNIT-III

Research proposal and data collection ó writing a research proposal in quantitative and qualitative research, contents of a research proposal ó introduction, problem, objectives, hypothesis, study design, the setting, measurement procedures, ethical issues, sampling, analysis of data, structure of report, problem and limitations, appendix; considering ethical issues in data collection ó the concept of ethics, stakeholders in research, ethical issues to consider concerning research participants, ethical issues to consider relating to the researcher, ethical issues regarding the sponsoring organisation.

UNIT-IV

Processing data and writing a research report ó data processing in quantitative research ó editing and coding; data processing in qualitative research ó content analysis; the role of statistics in research; methods of communicating and displaying data ó text, table and graphs; writing a research report ó developing an outline, writing about a variable, referencing, writing a bibliography; introduction to SPSS ó data entry, editing, descriptive statistics, hypothesis testing of means, proportions and variances, performing regression and correlation analysis.

References

1. Bryman, A. and Bell, E., *Business Research Methods*, Oxford University Press.
2. Carver, R.H. and Nash, J.G., *Data Analysis with SPSS*, Cengage Learning.
3. Cooper, D.R. and Schindler, P.S., *Business Research Methods*, Tata McGraw Hill.
4. Field, A., *Discovering Statistics Using SPSS*, Sage Publications.
5. Gaur, A.S. and Gaur, S.S., *Statistical Methods for Practice and Research: A Guide to Analysis Using SPSS*, Response Books.
6. Kothari, C.R., *Research Methodology: Methods and Techniques*, Wiley Eastern.
7. Kumar, R., *Research Methodology: A Step by Step Guide for Beginners*, Sage Publications.
8. Malhotra, N.K., *Marketing Research: An Applied Orientation*, Prentice-Hall International.
9. Sekaran, U., *Research Methods for Business: A Skill Building Approach*, John Wiley.
10. Zikmund, W.G., *Business Research Methods*, Cengage Learning.

THIRD SEMESTER

MAF7101: STRATEGIC COST MANAGEMENT

Objective: *This course aims to clarify how to use different techniques of cost management with a strategic perspective.*

UNIT-I

Introduction to strategy and cost management – moving from traditional to modern manufacturing environments, contemporary cost management techniques; nature of cost – traditional and contemporary cost classification, cost estimation, concept of cost center and cost unit, installation of costing system, strategic focus of cost management, cost statement; value analysis ó procedure, advantages and cost measurement systems; manufacturing overhead allocation - traditional and activity-based; planning environment ó forecasts trend and changes, distribution channels and competitive forces; international trade ó prices and government policies for capacity expansion.

UNIT-II

Implementing strategy – strategic positioning, value chain, balanced scorecard – perspective and limitations, strategy map, customer profitability analysis, profit variance analysis, concept, process, methods and techniques of cost reduction programme, cost control vs. cost reduction.

UNIT-III

Activity-based costing – steps in designing an activity-based costing (ABC) system, benefits and comparison of volume-based and ABC, activity-based management (ABM), concept, purpose, benefits, stages, relevance in decision-making and its application in budgeting, multistage activity-based costing (MABC), resource consumption accounting (RCA), time-driven activity-based costing (TDABC), use of specific performance measures in just-in-time (JIT), enterprise resource planning (ERP) and its application in strategic cost management.

UNIT-IV

Performance and strategic cost management techniques – non-financial performance indicators; measurement and control of cost of quality – framework, financial measures, non-financial indicators; lean accounting; cost management through life cycle analysis and target costing; transfer pricing and its applications.

References

1. Alles, M., *Strategic Cost Management*, Courier Custom Publishing.
2. Blocher, E.J., Stout, D.E., Juras, P.E. and Cokins, G., *Cost Management: A Strategic Emphasis*, McGraw Hill Higher Education.

3. Blocher, E.J., Stout, D.E., Juras, P.E. and Cokins, G., *Cases and Readings in Strategic Cost Management for Use with Cost Management: A Strategic Emphasis*, McGraw-Hill Higher Education.
4. Ghoush P.K., Dhingra, I.C., Rajan N. N. and Mani, K.P., *Advanced Management Accounting: Strategic Management*, Sultan Chand and Sons.
5. Prasad, L.M., *Business Policy and Strategic Management*, Sultan Chand and Sons.
6. Shank, J. K., *Strategic Cost Management: The New Tool for Competitive Advantage*, The Free Press.
7. Wilson, R.M., *Strategic Cost Management*, Ashgate Publishing.

MAF7102: MULTINATIONAL BANKING

Objective: *This course seeks to familiarize students with the importance and techniques used for effective operations and working of the multinational banks.*

UNIT-I

Introduction to multinational banking – evolution of the multinational banking scenario, globalization and convergence of banking system, organisational features of multinational banking, intermediation and resource allocation, policy implications of multinational banking, causes of bank failures, correspondent banking; bank accounts ó NOSTRO and VOSTRO accounts ó SWIFT, CHIPS, CHAPS, FEDWIRE; resident representatives, bank agencies, foreign branches, foreign subsidiaries and affiliates, consortium banks.

UNIT-II

Role and function of overseas financial institutions – foreign lending, international lending policies and practices; international financial institutions – IMF, IBRD, BIS, IFC, ADB, WTO; the payment mechanism, settlement system followed in US, UK, and Switzerland and Japan; global trends and developments in international banking, international financial centerø offshore banking units, SEZs; measurement of efficiency in banking, financial markets interdependence and securitization, deregulation, technology and financial innovations.

UNIT-III

The foreign exchange market, exchange rate determination, and currency derivatives – the Eurocurrency market, international debt management, foreign exchange risk management, asset and liability management of foreign banks, instruments of international finance, interest rate differentials and their role in demand for and supply of funds across borders; factors determining exchange rates, direct and indirect quotations; basics of derivatives – forward exchange rates, contracts, currency options, swaps and interest rate swaps; major recommendations of the various expert group on forex markets; letter of credit mechanism and UCPDC/URC/buyer's/seller's credit, bilateral trade, counter trade, high seas sales.

UNIT-IV

Financial facilitation and risk mitigation – various facilities to exporters and importers including forfeiting and factoring, NRI accounts; risk and credit analysis, management of foreign exchange risk, country risk and bank risk management, treasury and risk mitigation, current banking practice in the analysis and control of foreign portfolio risk, global balance sheet of banks, a modern portfolio theory oriented approach to assessment of the riskiness of bank's foreign claims, loans to government and sovereign risk.

References

1. Baye, M.R. and Jansen, D.W., *Money Banking and Financial Markets*, AITBS.
2. Bose, R.N., *Fundamentals of International Banking*, Macmillan India.
3. Buckley, A., *Multinational Finance*, Prentice Hall of India.
4. Levich, R.M., *International Financial Markets*, Tata McGraw Hill.
5. Rajwade, A.V., *Foreign Exchange, International Finance, Risk Management*, Academy of Business Studies Edition.
6. Roussakls, E.N., *International Banking Principles and Practice*, Macmillan India.
7. Sharan, V., *International Financial Management*, Prentice Hall of India.

MAF7103: FINANCIAL REPORTING AND ANALYSIS

Objective: *This course is designed to prepare students to interpret and analyze financial statements effectively and explore in greater depth the financial reporting topics.*

UNIT-I

Regulatory framework for the preparation and presentation of financial statements – transition of Indian GAAP based standards to Ind AS (IFRS based accounting standards), reasons for national differences in financial reporting practices, the work of international standard setters, arguments for and against accounting standards; the conceptual framework for the preparation and presentation of financial statements ó form of financial statements, the framework for the preparation and presentation of financial statements issued by the International Accounting Standards Board (IASB), the objective and users of financial statements, the qualitative characteristics of information in financial statements, the elements of financial statements and their recognition, the measurement of assets, liabilities, revenues, expenses, gains and losses.

UNIT-II

Preparation and presentation of financial statements – legal and regulatory requirements, international accounting standards; converged Indian accounting standards (Ind AS) ó first-time adoption of Indian accounting standards (Ind AS 101); presentation of financial statements (Ind AS 1) – income statement, other comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows (Ind AS 7), notes to the accounts, accounting policies (Ind AS 8), segmental reporting (Ind AS 108); group accounts (Ind AS 27) - regulatory framework, consolidated statement of financial position, consolidated income statement, consolidated statement of cash flows, investment in associates (Ind AS 28), interests in joint ventures (Ind AS 31), the effects of changes in foreign exchange rates (Ind AS 21); limitations of published accounts; current issues in reporting ó environmental and social reporting, ethics for accountants.

UNIT-III

Introduction and foundation for effective financial statement analysis – overview of financial statement analysis, users and sources of financial information; basis and techniques of analysis – cross sectional and time series analysis, trend or horizontal analysis, common size statements, accounting ratios and ratio analysis, segmental analysis, inter-firm comparisons and industrial averages, earnings per share, limitations of analytical and interpretative techniques; analysis of financing activities, analysis of investing activities – accounting for long-term, short-term and intangible assets, analysis of operating activities, analysis of cash flow statement, cash forecasting.

UNIT-IV

Analysis of financial statements, forecasting and valuation analysis – short-term liquidity analysis – working capital analysis, operating activity analysis; solvency analysis – capital structure measures for solvency analysis, asset based measures of solvency analysis, asset-based measures of solvency, earnings coverage; analysis of profitability, analysis of growth (changes in profitability) as well as sustainable earnings; prospective analysis (short- and long-term forecasting), equity analysis and valuation – earnings persistence, cash flow based valuation approach, earning based valuation, accounting analysis and valuation – creating accounting value, economic value added, and determining accounting as well as earnings quality.

References

1. Bernstein, L.A., *Financial Statement Analysis*, McGraw-Hill International.
2. Douppnik, T. and Perera, H., *International Accounting*, McGraw-Hill.
3. Foster, G., *Financial Statement Analysis*, Prentice Hall.
4. Gibson, C.H., *Financial Reporting and Analysis: Using Financial Accounting Information*, Cengage Learning.
5. *International Financial Reporting Standards*, Vol. I and II, Taxman Publications.
6. Jarnagin, B.D., *Financial Accounting Standards: Explanation and Analysis*, Chicago Illinois Commerce Clearing House.
7. Kochanek, R.F., *Financial Accounting: A Focus on Interpretation and Analysis*, Thomson Learning.
8. Needles, B.E. and Powers, M., *International Financial Reporting Standards*, South-Western College Publishing.
9. Penman, Stephen H., *Financial Statement Analysis and Security Valuation*, McGraw-Hill International.
10. Stice, E.K., *Financial Accounting: Reporting and Analysis*, South-Western College Pub.
11. Stickney, C.P. and Brown, P.R., *Financial Reporting and Statement Analysis*, The Dryden Press.

MAF7104: SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Objective: *This course seeks to acquaint students with the theoretical and practical aspects of investment analysis for security selection and portfolio management purposes.*

UNIT – I

Investment background – meaning and avenues of investment, concept of risk and return, determinants of required rates of return, relationship between risk and return, security risk and return analysis and measurement; financial assets – type and their characteristics including derivatives; asset allocation decision – individual investor life cycle, the portfolio management process, the importance of asset

allocation; organisation and functioning of financial markets in India - primary capital markets, secondary markets, financial intermediaries, listing of securities, securities trading, securities settlement, and regulation, evaluation of securities, and stock exchanges.

UNIT – II

Security analysis and management strategies – efficient market hypothesis, macro-analysis and micro-valuation of the stock market; fundamental analysis ó economic analysis, industry analysis, company analysis and stock valuation; technical analysis ó techniques, DOW theory; equity portfolio management strategies ó passive versus active management strategies; analysis and management of fixed income securities - bond fundamentals, the analysis and valuation of bonds, bond portfolio management strategies ó passive, semi-active and active strategies.

UNIT – III

Portfolio analysis and valuation principles ó meaning, importance, objectives and various issues in portfolio construction and revision; portfolio analysis ó diversification, portfolio risk and return; Markowitz portfolio theory; portfolio selection ó defining investment objectives, investor preferences; single index model; introduction to asset pricing models, capital market theory, the capital asset pricing model (CAPM); multifactor models of risk and return, arbitrage pricing theory (APT), multifactor models and risk estimation; valuation principles and practices – value of financial statement analysis, theory of valuation, security valuation process, valuation of alternative investments, relative valuation techniques.

UNIT – IV

Portfolio performance evaluation and management ó SEBI guidelines on portfolio management; asset management ó managed portfolios, professional money management companies, investing in alternative asset classes; portfolio performance evaluation, performance measurement techniques, risk adjusted measures of performance evaluation, evaluation criteria and procedures, evaluation of bond portfolio performance, reporting investment portfolio performance.

References

1. Alexander, G.J., Sharpe, W.F. and Bailey, J.V., *Fundamentals of Investments*, Prentice Hall.
2. Avadhani, V.A., *Investment Management*, Himalaya Publishing House.
3. Bodie, Z., Kane, A., Marcus, A.J. and Mohanty, P., *Investments*, Tata McGraw-Hill.
4. Chandra, P., *Investment Analysis and Portfolio Management*, Tata McGraw-Hill.
5. Elton, E.J. and Gruber, M.J., *Modern Portfolio Theory and Investment Analysis*, John Wiley and Sons.
6. Fabozzi, F.J. and Markowitz, H.M., *The Theory and Practice of Investment Management: Asset Allocation, Valuation, Portfolio Construction, and Strategies*, Wiley.
7. Fischer, Donald E. and Jordan, Ronald J., *Security Analysis and Portfolio Management*, Prentice Hall.
8. Mayo, H.B., *Investments: An Introduction*, Thomson Asia.

9. Reilly, F.K. and Brown, K.C., *Investment Analysis and Portfolio Management*, South-Western College Publishing.
10. Sharpe, William, Alexander, Gordon J. and Bailey, Jeffrey W., *Investments*, Prentice Hall.

MAF7105: BANK MANAGEMENT

Objectives: *This course aims at acquainting the participants with the operations and functions of corporate investment and retail bankers.*

UNIT – I

Introduction to the banking sector – structure of money and capital market; commercial banking ó history, organisation structure, management and functions, assets and liabilities, banking consolidation; sources of bank funds ó deposit products, deposit insurance, fee-based services, letter of credit, off balance sheet activities, bancassurance; uses of bank funds ó lending activities, credit policy; liberalization of banking sector in India; Narsimham Committee Report part I and II ó implementation status; the banks regulatory environment - role of RBI, CRR, SLR, CRAR and prudential norms, liquidity concepts, instruments and procedure, anti-money laundering and KYC norms.

UNIT – II

Bank performance and risk management – framework for evaluating bank performance, the relationship between the balance sheet and income statement, banking risks and returns, the profitability and profit planning, liquidity and solvency trade off; alternate models of bank performance – analysis bank performance with financial ratios, CAMEL model, economic value added, the balance scorecard, managing non-interest income and non-interest expense; income management ó income recognition and provisioning; risk management in banks – basic concepts, purpose, process, different types of risks, risk management strategies.

UNIT – III

Asset liability management – overview, alternatives in managing interest rate risk, measuring interest rate sensitivity and the dollar gap, duration gap analysis, techniques of asset liability management- futures, options and swaps, commercial and industrial lending, principles of sound bank lending, loan lending process- evaluating a loan request, structuring loan agreements, pricing commercial loans, monitoring and follow up; service quality metrics – core factors, determinants of quality, ISO 9000 certification in banking services, importance of Six Sigma in banks, customer relationship management.

UNIT – IV

Investment management – investment portfolio and policy guidelines, composition of investment portfolio, general portfolio considerations, liability management, electronic banking, financial services; capital adequacy - the new BASEL accord implication for banks; innovations in

banking – internet banking, phone banking, mobile banking, wholesale and retail banking, universal and narrow banking, off shore banking and multi-national banking; social banking – need, challenges, and policy initiatives.

References

1. Bhole, L.M., *Financial Institutions and Markets*, Tata McGraw Hill.
2. Fraser, D.R., Benton E.G. and Kolari, J.W., *Commercial Banking: The Management of Risk*, South Western Thomson Learning.
3. Joshi, Vasant C. and Joshi, Vinay V., *Managing Indian Banks: Challenging Ahead*, Sage Publications.
4. Justin, P. and Padmalatha, S., *Management of Banking and Financial Services*, Pearson Education.
5. Khan, M.Y., *Indian Financial System, Theory and Practices*, Tata McGraw Hill.
6. Srivastava, R.M., *Management of Indian Financial Institutions*, Himalaya Publishing.
7. Sundaram, K.P.M., *Money Banking and International Trade*, Sultan Chand and Sons.
8. Sundharam and Varshney, *Banking Theory Law and Practice*, Sultan Chand and Sons.
9. Timothy, K.W. and MacDonald, S.S., *Bank Management*, The Dryden Press, Hascourt College Publisher.

MAF7106: INSURANCE MANAGEMENT

Objective: *This course familiarizes the students with the basic principles, functions and importance of insurance management.*

UNIT-I

Insurance and risk management – types of risk facing businesses and individuals; risk management ó process and methods; overview of insurance – elements, identification and quantification of risk exposures in enterprises, assessing enterprises financial ability to bear risk and designing insurance programmers needed, rating insurance covers and containing insurance costs, purchase of insurance and insurance administration; insurance industry in India – evolution, structure, nature of insurance business, liberalization in insurance sector, impact of the changing business environment on insurance industry; legislative insurance framework – Insurance Act,1938, LIC Act,1956, IRDA Act,1999.

UNIT-II

Insurance concepts, policies and pricing – history of insurance, definition, nature, role and importance of insurance, insurance contract, kinds of insurance, process of insurance, nature of life insurance contract, principles, policy conditions and policies of life insurance; life insurance in India – its organisation and management; saving and investment policies of insurance companies in India, tax benefits under insurance policies; insurance pricing ó insurance costs and computation of premium, rider premium, expected claim costs, administrative costs, bonuses, surrender value and paid up value

UNIT-III

General insurance, documentation and claim operations ó nature and role of general insurance in economy; principles and policies of fire and marine insurance; practice of fire, life, marine, and miscellaneous insurance; general insurance in India – its organisation and management; insurance and capital market in India; insurance and taxation; documentation - proposal forms, first premium receipt/renewal premium receipt, policy contract, endorsements, renewal notice/bonus notices, other insurance documents; concepts of reinsurance, bancassurance; claim operations – concept, basic procedure, settlements, legal aspects, claim documents.

UNIT-IV

Management of insurance – marketing of insurance policies, distribution channels for insurance, direct marketing; role of professional specialists/insurance intermediaries – brokers, underwriters, surveyors, actuaries and the specific challenges that they face, regulations for agents ó licensing, advertisement, protection of policy holders interest regulations; business planning; attitude toward insurance cover; problem and prospect of insurance in India; privatization of insurance in India; role of information technology in insurance sector; impact of IRDA Act, 1999 on insurance sector in India; role of insurance in socio-economic development.

References

1. Dorfman, M.S., *Introduction to Risk Management and Insurance*, Prentice Hall India.
2. Ganguly, A., *Insurance Management*, New Age International.
3. Gupta, P.K., *Insurance and Risk Management*, Himalaya Publishing House.
4. Harrington, E.S. and Niehaus, R.G., *Risk Management and Insurance*, McGraw Hill Education.
5. Kotreshwar, G., *Risk Management: Insurance and Derivatives*, Himalaya Publishing House.
6. Mishra, M.N., *Insurance Principles and Practice*, Sultan Chand and Sons.
7. Niehaus, H., *Risk Management and Insurance*, Tata McGraw-Hill.
8. Pathak, B., *Indian Financial System*, Pearson Education.
9. Periasamy, P., *Principles and Practice of Insurance*, Himalaya Publishing House.
10. Trieschmann, J., *Risk Management and Insurance*, South Western College Publishing.
11. Williams, A., *Risk Management and Insurance*, McGraw Hill.

FOURTH SEMESTER

MAF7201: BUSINESS ETHICS AND CORPORATE GOVERNANCE

Objective: *This course considers the stance of ethics and ethical conflict as well as the role of corporate governance and its increasing impact in the management of organisations.*

UNIT-I

Ethical theory and business practice – concept and importance of business ethics, the development of business ethics; defining corporate culture; ethical decision making and leadership; some traditional western philosophical theories about ethics – Aristotle and the virtues, Kant and deontological theories, J.S. Mill's utilitarianism; Some basic moral values, and how they affect business – respect, responsibility, integrity, personal growth, liberty, justice, beneficence; Indian perspective – secular versus spiritual values in management; some systems of relationship – threat systems, exchange systems, integrative systems, justice and economic distribution; Milton Friedman and the social responsibility of business; the institutionalization of business ethics.

UNIT-II

Introduction to the corporation and business ethics – the nature, significance, formation and historical development of the corporation, significant characteristics of the corporation; corporations, responsibility, and the free market – the role of boards, managers, stockholders and stakeholders; ethics in corporate raids, restructures, and takeovers; local and global business ethics; the ethics of work and management – the meaning of work, the global division of labour, job security and layoffs, worker rights and duties, ethical management, labour-management relations, worker participation, job enrichment, and the quality of working life; corporations and consumers – product liability and safety, advertising ethics; corporations and society – corporations and the environment, multinational corporations and global ethics; developing, managing and controlling effective ethics program.

UNIT-III

Governance theory and business practice – meanings and significance of corporate governance, history of corporate governance, principles and theories of corporate governance, models of corporate governance, globalization and corporate governance, corporate governance practices/codes in USA, UK, Germany, Japan and India; framework of corporate governance in India – Kumar Mangalam Birla Committee, Naresh Chandra Committee Report, Narayana Murthy Committee, etc.; corporate governance requirements under the Listing Agreement and Companies Act, 2013.

UNIT-IV

The internal and external institutions of corporate governance – the internal institutions, viz., role of the board of directors, managers, and shareholders; corporate board ó special committees, attributes, responsibilities, liabilities, shaping directorial competence and board effectiveness; the

external institutions, viz., the role of regulators and government enforcement (company law, SEBI regulations, FEMA, banking and capital market regulations), legislative (introduction to Indian and foreign initiatives); gatekeepers and access to capital (auditors, investment bankers, rating agencies, exchanges, the financial press), and market (product market, labour market, capital market, and market of corporate control).

References

1. Fernando, A.C., *Business Ethics and Corporate Governance*, Pearson Education.
2. Ferrell, O.C. and Ferrell, J.F., *Business Ethics: Ethical Decision Making and Cases*, Cengage Learning.
3. Hansmann, H., *The Ownership of Enterprises*, Belknap Press of Harvard University.
4. Harvard Business Review, *Harvard Business Review on Corporate Governance*, Harvard Business Press.
5. Lipman, F.D. and Lipman, L.K., *Corporate Governance Best Practices: Strategies for Public, Private, and Not-for-Profit Organizations*, Wiley and Sons.
6. Mallin, C.A., *Corporate Governance*, Oxford University Press.
7. Monks, R.A.G. and Minow, N., *Corporate Governance*, Wiley-Blackwell.
8. Reed, D., *Corporate Governance, Economics Reforms and Development*, Oxford University Press.
9. Salmon, W.J., J.W. Lorsch, G. Donaldson, J. Pound, J.A. Conger, and D. Finegold , *Harvard Business Review on Corporate Governance*, Harvard University Press.
10. Tricker, B., *Corporate Governance: Principles, Policies, and Practices*, Oxford University Press.
11. Weston J.F., Mitchell, M.L. and Mulherin, J.H., *Takeovers, Restructuring and Corporate Governance*, Prentice Hall.

MAF7202: MANAGEMENT CONTROL SYSTEMS

Objective: *This course facilitates students to gain knowledge, develop insight and analytical skills related to design and implementation of management control systems in organisations and to make them familiar with modern control techniques.*

UNIT-I

Introduction to accounting as a management information system – management control system, basic concepts, boundaries, formal and informal systems; understanding strategies ó concept, corporate and business level strategies; behaviour in organisations, inter-relationship among strategic planning, management control and operational control, responsibility accounting, importance of informal management controls, prerequisites of a successful management control system, use of information technology in control systems, behavioural aspects of management control – goal congruence, factors affecting goal congruence, motivation and morale, participative management.

UNIT-II

Structure of management control – need for delegation, types of organisation structures and its implications to management control systems, matching structure to strategy, types of responsibility centres, organisational structure of responsibility centres, revenue and expense centres, profit centres, measuring and controlling assets employed, objectives and methods of transfer pricing, arms length principle, pricing corporate services and administration of transfer prices, managing inter-departmental conflicts related to transfer pricing, international transfer pricing, controller's organisation – functions and role of controller.

UNIT-III

Management control process – strategic planning, analysis of new and ongoing programmes, strategic planning process, implementing radical process and product innovation strategy, programming and budgeting, budget preparation process, budgetary control, performance measurement systems ó identification of key success variables, financial and non-financial measures, return on sales, ROI, residual income, EVA and MVA; Balanced scorecard – four perspectives, aligning balanced score card to strategy, features of a good balanced score card, implementation and pitfalls of balanced scorecard; interactive control, analyzing financial performance reports; uses of variance analysis in cost control, developments in the area of costing for control purposes such as activity based costing, activity based management; ethical dimensions in management control process; management audit.

UNIT IV

Applications of management control systems – management compensation and rewards ó types, principles of management compensation, linking rewards to performance; controls for differentiated strategies, control in service organisations, control in non-profit organisations, management control in multinational and multi project corporations ó control issues, cultural differences, exchange rates, transfer pricing; management control-related ethical issues, problems in implementation and administration of control systems.

References

1. Anthony, R.N. and Govindrajana, V., *Management Control Systems*, Tata McGraw-Hill.
2. Ghosh, N., *Management Control Systems*, Prentice Hall of India.
3. Maclariello, J.A. and Kirby, C.J., *Management Control System: Using Adaptive Systems to Attain Control*, Prentice Hall of India.
4. Merchant, K.A., *Modern Management Control Systems: Text and Cases*, Pearson Education.
5. Merchant, K.A. and Van-der-Stede, W.A., *Management Control Systems: Performance, Evaluation and Incentives*, Prentice Hall.

6. Simons, R., *Performance Measurement and Control Systems for Implementing Strategy Text and Cases*, Prentice Hall.
7. Tricker, R.J., *Management Information and Control System*, John Wiley and Sons.

MAF7203: INTERNATIONAL FINANCIAL MANAGEMENT

Objective: *This course aims to introduce the environment of international finance and its implications on international business.*

UNIT-I

Foundations of international financial management – globalization and multinational firm, the importance, rewards and risk of international finance, goals for international financial management, exposure to international risk, international monetary system, balance of payments, foreign exchange markets, international parity relationships – parity conditions and managerial implications; forecasting foreign exchange rates – fundamental factors affecting exchange rates.

UNIT-II

International financial markets and institutions – intricacies of foreign exchange markets, spot and forwards exchange rates, Eurocurrency and domestic interest rates, quotations and market rules, international banking and money market, international bond market, international equity markets, futures and options on foreign exchange, currency and interest rate swaps, international portfolio investment; international sources of finance – bond financing, loan financing and equity financing.

UNIT-III

Foreign exchange exposure and risk management – management of economic exposure, management of transaction exposure, management of translation exposure, management of political exposure, management of interest rate exposure, hedging against foreign exchange exposure, hedging through mixed currency invoicing, country risk analysis; derivatives and exposure management – currency forwards, currency options, currency futures, currency swaps, interest rate risk management.

UNIT-IV

Financial management of multinational firms – foreign direct investment and cross-border acquisitions, international capital structure and the cost of capital, international capital budgeting,

multinational working capital policy and cash management, exports and imports, international tax environment, corporate governance around the world.

References

1. Apte, P.G., *International Financial Management*, Tata McGraw Hill.
2. Bekaert, G. and Hodrick, R.J., *International Financial Management*, Prentice Hall.
3. Brealey, R.A., Myers, S.C. and Allen, F., *Principles of Corporate Finance*, McGraw Hill International Edition.
4. Eiteman, D.K., Stonehill, A.I. and Moffett, M.H., *Multinational Business Finance*, Pearson Education.
5. Click, R.W. and Coval, J.D., *The Theory and Practice of International Financial Management*, Pearson Education.
6. Eun, C. and Resnick, B., *International Financial Management*, McGraw-Hill/Irwin.
7. Madura, J., *International Corporate Finance*, Thomson South-Western.
8. Melvin, M., *International Money and Finance*, Pearson Education.
9. Shapiro, A.C., *Multinational Financial Management*, John Wiley and Sons.

MAF7204: PROJECT MANAGEMENT AND CONTROL

Objective: *This course aims to advance a sound understanding of the theory and practice of project management.*

UNIT-I

Planning and analysis overview – project management concepts, attributes of a project, the project management process, generation and screening of project ideas – generation of ideas, monitoring the environment, regulatory framework for projects, corporate appraisal, preliminary screening, project rating index, sources of positive NPV; qualities of a successful entrepreneur; Porter model for estimation of profit potential of industries; project life cycle; global project management.

UNIT-II

Market and demand analysis – situational analysis and specification of objectives, collection of secondary information, conduct of market survey, characterization of the market, demand forecasting, market planning; technical analysis – study of material inputs and utilities, manufacturing process and technology, product mixes, plant capacity, location and site, machinery and equipment, structures and civil works, project charts and layouts, work schedule; financial analysis – estimation of cost of project and means of financing, estimates of sales and production, cost of production, working capital requirement and financing, estimates of working results, projected cash flow statement, projected balance sheet, project cash flows, basic principles of measurement of cash flows, components of the cash flow streams, viewing a project from different points of view, definition of cash flows by financial institutions and planning commission, biases in cash flow estimation, appraisal criteria, investment appraisal in practice.

UNIT-III

Types and measure of risk – simple estimation of risk, sensitivity analysis, scenario analysis, Monte Carlo simulation, decision tree analysis, selection of project, risk analysis in practice, special decision situations-choice between mutually exclusive projects of unequal life, optimal timing decision, determination of economic life, inter-relationships between investment and financing aspects, inflation and capital budgeting; analysis of firm and market risk – portfolio theory and capital budgeting, capital asset pricing model, estimation of key factors, CAPM and capital budgeting; social cost benefit analysis (SCBA) – rationale for SCBA, UNIDO approach to SCBA, Little and Mirrlees approach to SCBA; multiple projects and constraints – constraints, methods of ranking, mathematical programming approach, linear programming model.

UNIT-IV

Project financing in India – means of finance, norms and policies of financial institutions, SEBI guidelines, and sample financing plans, structure of financial institutions in India, schemes of assistance, term loans procedures, and project appraisal by financial institutions; project management – forms of project organisation, project planning and scheduling, project execution plan, project procedure manual, project control, computerized project management information system (PMIS), human aspects of project management, prerequisites for successful project implementation, network techniques for project management, development of project network, time estimation, determination of critical path, scheduling when resources are limit, PERT and CPM models, resource allocation, crashing and resource sharing, network cost system; project review, administration and audit.

References

1. Chandra, P., *Project Planning: Analysis, Selection, Implementation and Review*, Tata McGraw Hill.
2. Desai, V., *Project Management*, Himalaya Publications.
3. Esty, B.C., *Modern Project Finance: A Case Book*, John Wiley and Sons.

4. Gatti, S., *Project Finance in Theory and Practice: Designing, Structuring, and Financing Private and Public Projects*, Academic Press.
5. Gido, J., *Project Management*, Cengage Learnings.
6. Kanda, A., *Project Management: A Life Cycle Approach*, Prentice Hall India.
7. Little, I.M.D. and Mirrlees, J.A., *Project Appraisal and Planning for Developing Countries*, Oxford and IBH Publishing Co.
8. Maylor, H., *Project Management*, Pearson Education.
9. Nevitt, P.K. and Fabozzi, F.J., *Project Financing*, Euro Money Books.
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MAF7205: FINANCIAL ENGINEERING

Objective: *This course aims at enabling the students to understand and analyze investment problems and developing their skills for the solution of these problems with the help of innovative financial processes, instruments and strategies.*

UNIT-I

Introduction to financial engineering – meaning and need of financial engineering, financial engineering *vis-à-vis* financial analysis, tools used in financial engineering, growth and contributory factors to increasing need for financial engineering, skills and knowledge required ó statistical, modelling, technology, legal, accounting and taxation; financial engineering in India ó derivatives and futures markets, features of financial derivatives, types and uses of financial derivatives; determinations of value of financial instruments and products ó time value of money, the required rate of return, absolute valuation versus relative valuation, measuring return and risk, portfolio consideration and investment horizons.

UNIT-II

Product development and strategies ó basics of product development, objective, design and testing; pricing and valuation of future and forwards, pricing and valuation of swaps, interest rate swaps, currency swaps, commodity swaps, options - call and put options, payoff profiles, basic principles of options, option trading strategies, option pricing (Black Scholes model), arbitrage restrictions on option prices, hedging approaches with options, future options, swap options, equity related instruments ó options, warrants, subscription rights, investment vehicle, index futures and options, foreign equities, treasury bond and notes futures; forward rate agreements.

UNIT-III

Financial engineering processes and strategies ó assets and liabilities management, securitization, asset backed securities, mortgage backed securities, corporate restructuring and leverage buyouts/ management buyout, value at risk (VAR).

UNIT-IV

Emerging instruments, concepts and issues ó hybrid securities, credit derivatives, options on debt instruments, exotic options, synthetic instruments, and issues related to accounting treatment of derivatives, corporate risk management ó planning and controlling reasons for hedging, cash flow hedges and value hedges, capital structure and hedging, interest rate risk management.

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8. Walmsley, J., *New Financial Instruments*, Prentice Hall of India.