



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

(Master of Finance and Control)

MFC

FOR THE EXAMINATION 2012-13

SYLLABI AND COURSES OF READING FOR MFC EXAMINATION, (2012-2013)

- Note: 1. The duration of the examination in each subject will be 3 hours.
2. Maximum marks for external/written examination are 80 marks and Internal Assessment is 20 marks.
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.

Instructions to the paper setters.

Maximum Marks: 80.

THERE WILL BE FOUR UNITS: Set 10 questions in all, selecting 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.

SCHEME OF EXAMINATION Ist SEMESTER

		Marks	
		Th.	Int.
MFC 101	Management for Organisation.	80	20
MFC 102	Business Environment.	80	20
MFC 103	Accounting for Managers.	80	20
MFC 104	Economic Analysis for Business	80	20
MFC 105	Financial Services.	<u>80</u>	<u>20</u>
		400	100

IInd SEMESTER

MFC 201	Organisation Behaviour	80	20
MFC 202	Regulatory Framework for Business	80	20
MFC 203	Financial Management & Policy	80	20
MFC 204	Quantitative Techniques.	80	20
MFC 205	E-commerce	<u>80</u>	<u>20</u>
		400	100

IIIrd SEMESTER

MFC 301	Management Information System.	80	20
MFC 302	Cost Analysis & Control	80	20
MFC 303	Security Analysis and investment Management	80	20
MFC 304	Corporate Governance	80	20
MFC 305	Tax Planning & Management	<u>80</u>	<u>20</u>
		400	100

IVth SEMESTER

MFC 401	Management Control System	80	20
MFC 402	International Finance.	80	20
MFC 403	Management of Services - Insurance and Banking	80	20
MFC 404	Strategic Management.	80	20
MFC 405	Optional Paper (opt for one):		
	1. Financial Engineering		
	2. Computer Application in Accounting		
	3. Project Planning & Analysis	<u>80</u>	<u>20</u>
		400	100

Total Marks 1600 400

MANAGEMENT FOR ORGANIZATION
MFC – 101

Objective: To understand the basics of management process and concepts in today's organization.

UNIT – I

Conceptual Framework of Management-Management defined, components, features, Functions, Nature, Levels of Management. Administration & Management, Management as a Profession, Significance of Management in today dynamic environment.

Evolution & Foundation of Management Theories, Schools of Management Thought, Scientific Mgt (Taylor) Bureaucratic Model (Weber) Human Behaviour School (Fayol). Hawthorne Experiments. The social system school, decision theory school, mathematical and quantitative School, contingency theory. Contemporary Management thinkers (Classical, Neo-classical & Modern Theories).

UNIT - II

Organizations and the Need for Management. Efficiency and Effectiveness of Management Process, Organization Environment, Social Responsibility and Ethics. Management Planning Process- Nature, Importance, Types of Plans, Strategy, Policies, Objectives, Planning Premises, Principles of Planning Decision Making. Organizing: Process, design, structure, types of authority, delegation, decentralization and centralization.

UNIT - III

Communication: Process, objectives, Barriers and break downs in ommunications. Cross cultural communication. Staffing- defined job analysis, MPP, Recruitment, Selection, Training, Job Rotation, Rewards and recognition. Directing- Defined elements, importance, nature of direction, principles, types and techniques of Direction.

UNIT - IV

Co-ordinating- defined characteristics, Types, Need, Objectives & Principles and Techniques. Difference between co-ordination and co-operation. Controlling-Defined Nature, Scope, Process of Elements, Steps in Control, Types of Control. Requirement of an Effective Control System Principles, Control Techniques.

Management by Objectives (MBO): Defined Characteristics, Actions to be taken at the Organizational level and individual level, Reviewing Performance. Benefits of MBO. Pros and Cons of MBO.

References:

R. N. Singh, Management Thoughts and Thinkers.
Koonlz O' Dannel , Essentials of Management.

BUSINESS ENVIRONMENT
MFC -102

Objective: To make the students conversant with the external business environmental factors that impact the business decision making.

Unit –I

The concept of business environment. The Socio cultural environment.

- Significance Nature & Interaction Matrix of different environmental factors. The process of environmental Scanning.
- Features of Indian Socio-Cultural environment and its implication on industrialization & growth.
- Emergence of new demand for consumer goods and consumerism as an emerging force.
- Social responsibility of business.

Unit-II

The Political Environment

- The constitutional provisions affecting business in India, The preamble, DPS & FR'S.
- The political dimensions of doing business in India.
- The relationships between government & Business.

Unit-III

The Economic Environment

- The philosophy, strategy & planning in India.
- The monetary and fiscal policies and the union budget as an instrument of economic growth.
- The foreign trade policy of India.
- The Industrial policy and the Economic reforms and its impact on Indian Business.
- Globalization & Liberalization : Threats & opportunities for Indian Business.

Unit-IV

The Technological & The International Environment.

- The problem of sophisticated technology in a labour surplus economy, India's policy for R & D.
- WTO and its impact on Indian Business.
- Role of MNC'S, FII'S, NRI, IMF and World Bank in giving impetus to Indian Business.
- Trade Barriers: Trips & Trims etc and its implication for Indian Business.

References:

- | | | |
|------------------------|---|---|
| 1. K. Aswathappa | - | Business environment for Strategic Management |
| 2. Francis Cheerunitam | - | Business Environment |
| 3. P. K. Ghosh | - | Business Policy & Environment |
| 4. Sampat Mukherjee | - | Economic Environment of Business. |

ACCOUNTING FOR MANAGERS
MFC- 103

Objective: To develop understanding of accounting tools and information.

UNIT - I

Accounting and its functions, Accounting Concepts, Accounting Conventions and Accounting Equation. Accounting Process and Generally Accepted Accounting Policies (GAAP). Introduction to Indian Accounting Standards. IFRS and it's convergence.

UNIT – II

Understanding Financial statements, Balance Sheet, Profit & Loss Accounts. Exposure to provisions of Schedule VI of the Companies Act 1956. Depreciation accounting. Introduction to Audit & its types

UNIT – III

Analysing Financial Statements: Ratio Analysis, Fund Flow Analysis, Cash Flow Analysis. Financial reporting practices in India.

UNIT – IV

Contemporary Issues in Accounting, Inflation Accounting. Value added & Value Chain Analysis, Social Accounting. Introduction to Human Resource Accounting.

REFERENCES:

- | | | |
|---------------------------------|---|--|
| Hornrgren, Sunden and Ostratton | : | Introduction to Management Accounting,
Prentice Hall of India. |
| Hilton | : | Managerial Accounting, Tata McGraw Hill. |
| Bhattacharyya, Dearden | : | Accounting for Management Text & Cases, Vikas
Publishing House. |

ECONOMIC ANALYSIS FOR BUSINESS
MFC-104

Objective: To study the basic concepts and tools of economic analysis as relevant for business decision making.

UNIT-I

Nature and scope for Business Economics. Introduction and Basic Concepts, Demand theory and techniques for demand estimation, demand forecasting.

UNIT-II

Theory of production- Production function for a single product, technological progress and the production function, production function of a multi product firm. Cost Theory traditional, modern and engineering, empirical evidence on the shape of cost; the relevance of cost theories in business decision making; business cost and incremental costs.

UNIT-III

Market structure and degree of competition. Profit maximizing price and output in the short run and the long run in perfect competition, monopoly, monopolistic and oligopoly. Price Policy; Pricing under multiple products, discriminatory pricing, oligopolistic pricing, oligopolistic inter dependence.

UNIT-IV

Consumption function, multiplier factors affecting the level of aggregate consumption. Role of investment, Investment Demand Schedule, Keynesian and Classical theory of income employment and output. Wages and employment, evaluation of Keynesian theory of employment, Keynesian theory and underdeveloped countries.

References:

A.Koulsoyiannis	:	Modern Micro- Economics
Hauge, D. C.	:	Managerial Economics
Demburg, Thomas F.	:	Macro Economics
Adhikari. M	:	Business Economics

FINANCIAL SERVICES
MFC - 105

Objective: To provide insight to the structure, working and problems of financial, system in India as well as to enable students to appreciate and understand the concepts, mechanism and utility of different financial services.

UNIT – I

An overview of Indian financial system: Introduction, structure, components and mechanism of the financial system. Financial Services: An overview. Introduction to SEBI.

UNIT – II

Merchant Banking: Functions and SEBI regulations and Non Fund-based and Fund-based activities including role in mobilization of funds. Depository Services in India (including regulatory aspects).

UNIT – III

Leasing-Introduction, financial evaluation of lease from lessor's and lessee's point of view, lease structuring, Tax, legal and accounting aspects especially in Indian context. Factoring: Features, process and agreement for factoring:

UNIT – IV

Mutual Fund: Introduction, management, regulations, working, and Indian experiences. Credit Rating: Concepts, functions and process of debt rating and SEBI regulations.

REFERENCE:

- | | | |
|----|------------------------|--|
| 1. | L.M. Bhole | Financial Institutions and Markets |
| 2. | J.C. Verna | Merchant Banking Organisation and Management |
| 3. | Lalit K. Bansal | Merchant Banking and Financial Services |
| 4. | M.Y.Khan | Financial Services |
| 5. | V.A. Avadhani | Investment and Securities Markets in India. |
| 6. | S. Ramesh & Arun Gupta | Venture Capital and Indian Financial Sector. |

ORGANIZATION BEHAVIOUR

MFC – 201

Objective: To provide a strong conceptual frame work for the study, understanding, and application of organization behaviour and to apply behavioral techniques to manage human resources in a better manner.

UNIT-I

Introduction :

OB : Fields contributing to OB, Managers' roles and functions, OB in the context of globalization, workforce diversity- challenges and opportunities for O.B.

The Individual : Foundations of Individual Behaviour : -Biographical characteristics, ability- Job fit, application of the learning theories behaviour modification.

Attitudes, Values and Job Satisfaction : The Nature and Dimensions of Attitudes: Components of Attitude- Sources and Types - Cognitive dissonance theory-Value-Measuring Job satisfaction-The effect of job satisfaction on employee performance, theories of Job Satisfaction.

UNIT-II

Perception : Factors Influencing Perception-Perceptual Selectivity-rational decision making model, bounded rationality, Linkage Between Perception and Individual Decision Making-ethics in decision making.

Personality and Emotional Quotient (EQ): The Meaning of Personality, Personality Determinants- Personality Traits The big five model, emotional quotient.

Motivation : From concepts to Applications.

UNIT-III

The Group :

Foundations of Group Behaviour : Stages of Group Development: The Five-Stage Model, Dynamics of Informal Groups: Norms and Roles in Informal Groups-Nature, Significance and management of Informal Organization-Dynamics of Formal Work Group-Teams in the Modern Workplace-Teams Vs Groups-Types of Teams-Quality Circles, Group decision-making Communication and group decision making.

Leadership : Understanding Leadership-Leadership Theories-Trait Theories-Behavioral Theories-Contingency, Theories-Leadership Styles-Leadership Skills-Determinants of Leadership-Challenges to leaderships in virtual teams.

UNIT-IV

Foundation of Organization Structure : Understanding Organizational Structure- Centralization, Decentralization, Flat and Tall Structures, Departmentalization, Organization Designs: Project Design-matrix Design-Network Design- The Virtual Organizations-Horizontal Organizations, HR Policies and practices.

Power & Politics : Definitions of Power-Distinction Between Power and Authority-Bases of Power-Power Structure and Block-impression management-political behaviour in organizations.

Conflict & Inter Group ehaviour & Collaboration: Sources of Conflict, Intra-individual Conflict, Interpersonal Conflict, Inter-group Behaviour and Conflict, Organizational Conflict. Negotiations-Approaches to Conflict Management-Collaboration.

Work Stress : Causes of Stress-Organizational and Extra Organizational Stressors-Group Stressors-Individual Stressors Stress coping Strategies.

References:

K. Ashwathappa., Organization Behaviour , Tata McGrew Hill
Uma Sekhran , Organizational Behaviour
Gary Desslar, Organization Theories, Prentice Hall, India

REGULATORY FRAMEWORK FOR BUSINESS

MFC-202

Objective: The objective of this course is to introduce the students with different legal aspects of business.

UNIT – I

Corporate personality, features of company, registration and incorporation, memorandum of association, articles of association, prospectus, Shares, shareholders and members, share capital. Limited liability partnership.

UNIT – II

Management of companies, directors, their appointment, duties, liabilities and powers, meetings of a company, borrowing power of the company, changes and their registration.

UNIT – III

Objectives of Foreign Exchange Management Act, provisions of FEMA dealing with regulation and management of foreign exchange, economic offences and penalties, intellectual property rights, objectives of SEBI, provisions of SEBI act dealing with takeover and substantial acquisition of shares, buyback of shares and investor protection.

UNIT – IV

Objectives of Consumer Protection Act, 1986, rights of consumers, scope and extent of the Act, Procedure for filing complaints, objectives of Environment Protection Act 1986, duties and obligations of business organization under Environment Protection Act 1986, Competition Act, 2002.

References:

Datey, V. S., Student's guide to Economic Laws 2001.

Majumdar, A. K. and Kapoor, G. K., Company law & practices, Taxman Allied Services Pvt. Ltd.

Singh, A., Company law, Eastern Book Co. India.

FINANCIAL MANAGEMENT AND POLICY
MFC – 203

Objective: To impart the students a thorough knowledge about the issues involving financing policies and investment decision making in a business.

UNIT – I

Introduction to Financial Management, objectives and functions of financial management. Changing role of financial manager. Sources of funds.

UNIT – II

Cost of Capital, Capital Structure and firm value, Capital Structure Decision. Dividend theories; determinants of dividend policy.

UNIT – III

Working Capital Management- An overview, Components, classification: need and adequacy of working capital, working capital approaches. Estimation of working capital. Management Of working capital: Cash and marketable securities management, receivable management, inventory management and accounts payable management.

UNIT – IV

Investment Decision Making: Estimating cash flows, Decision Rules, Project Choice (including under Risk and Uncertainty). Corporate Restructuring: Merger, consolidation, Acquisition, Divestiture, Leveraged buy out and spin off. Business failure and reorganization, shareholder value creation.

References:

- | | |
|-------------------------------|--|
| James, C. Vanhorne | : Financial Management and Policy |
| Pandey, I.M. | : Financial Management, Vikas Publishing House. |
| Brealey, R.A. and Myers, S.C. | : Principles of Corporate Finance, Tata McGraw Hill. |

QUANTITATIVE TECHNIQUES
MFC – 204

Objective: This course aims at appraising the students of various quantitative techniques which can facilitate business decision making. This course is to acquaint the applications of operations research to business decision making.

UNIT-I

Introduction to Statistics, Frequency distribution, Measures of Central Tendency, Measures of Dispersion and Skewness. Index Number, Time series analysis.

UNIT-II

Simple correlation and Regression (including Multiple regression)
Probability: Fundamental concepts- random experiment, Event, Mutually exclusive events, Exhaustive events. Definition of probability classical and statistical.
Concepts of addition law, multiplication law, conditional probability and Bayes Theorem.

UNIT-III

Theoretical Distribution- Binomial Poisson and Normal characteristics and applications.
Tests of Significance: Tests of Hypothesis, Type-I and Type – II errors, null hypothesis and significance tests, Tests concerning mean difference between mean (large and small samples).
Concepts and applications of Chi- square, Students and Fisher's F- Test.

UNIT-IV

Introduction to operation research an overview. Linear programming, (Graphical Method) Linear programming, (Simple Method) Transportation Problem, Assignment Problems.

Inventory and Waiting Line Models
Inventory Control – Deterministic Models and Probability Models

References:

- | | |
|--|--|
| 1. A. M. Goon, M.K. Gupta,
B. Das Gupta | Fundamentals of Statistics Vol. I & II |
| 2. Tara Yamene | Statistics: An Introductory Analysis |
| 3. M. D. Vohra | Quantitative Techniques in Management |
| 4. S. P. Gupta | Statistical Method |
| 5. M. P. Gupta & K. Sharma | Operations Research |

E – COMMERCE
MFC – 205

Objective: The paper attempts to make students understand the role of e- commerce and its utility to the corporate world. The course also makes students learn issues related to implementation of e- commerce in the company.

UNIT - I

E – commerce Business Model & Concepts: B2C, B2B & other business models; the e-commerce Infrastructure- Resources & Planning for infrastructure; Building E – business Websites – Role of Website in e – business, website strategies, website design principles.

UNIT -II

E – business Marketing strategies related to product, price, place and promotion. E – business & supply chain Management; E – business & Procurement.

UNIT –III

Electronic payment systems and its role in e- business; types of e- payment systems; Electronic Data Interchange – concepts and role; Issues in Electronic commerce - Security concerns, Taxation concerns, legal concerns.

UNIT –IV

Cyber laws in India and its limitations. Taxation issues of E – Business & E – Commerce. Regulatory framework for E – Business. International rules of law in respect of E – business.

References:

- | | | |
|---------------------------------------|---|--|
| Diwan. Prag and Sunil Sharma | : | Electronic Commerce – A Manager’s guide to E– Business, Vanity Books International, Delhi. |
| Kalakota, Rave and Shinston Andrew B. | : | Frontiers of Electronic Commerce. Addison Wesley. |
| Bajaj, Kamlesh K. | : | E – Commerce – The Cutting Edge of Business Tata McGraw Hill, New Delhi. |

MANAGEMENT INFORMATION SYSTEM

MFC - 301

Objective: The objective of the paper is to offer a comprehensive overview of Management information systems (MIS). It will explore technical, strategic and tactical issues related to MIS. Basic concepts in analyzing and designing information systems will be presented.

UNIT-I

MIS Definition-Characteristics -Evolution of MIS: Concepts; framework for understanding and designing MIS in an organization; MIS and other related disciplines: MIS and Management Accounting, MIS and Computer Science, MIS and OR, MIS and Organizational Behavior, MIS and Management. Concept of information; definition, features, types, process of generation and communication; quality of information; information overload; techniques for managing overload; summarizing; filtering ;inferences and message routing. System concepts; definition, types and characteristics of system-control in systems: feedback: positive and negative; negative feedback control system, input, process and output control; law of requisite variety.

UNIT-II

Structure of MIS: Basic structural concepts: formal and informal information systems; public and private information systems; multiple approaches to the structure of MIS: Operational elements (physical components, process, outputs for users), activity subsystems, functional subsystems and decision support – synthesis of multiple approaches into a conceptual structure for MIS.

UNIT III

Information systems: Transaction Processing Systems, Office Automation Systems, Information Reporting Systems, Decision Support Systems, Executive Support Systems,Expert systems.

UNIT-IV

Systems Development and Implementation: System development methodologies; SDLC approach; prototyping approach and user development approach- Systems Analysis; systems Design; Concepts of database and database design; system implementation; management of information system projects; system documentation – information system audit. Security of information resources; threats to information resources; security systems for risk management. Enterprise Resource Planning Systems –Features-ERP modules-implementation of ERP

Reference Books:

1. O'Brien, James A: Management Information Systems, Tata McGraw Hill, New Delhi.
2. George M.Scott: Management Information Systems, McGraw Hill Book company, New Delhi.
3. Schultheis, Robert and summer, Mary: Management Information Systems, Tata McGraw Hill, New Delhi.
4. Gordon B Davis, et. El: Management Information Systems, Prentice Hall of India, New Delhi.
5. Kenneth C.Laudon and Jane P.Laudon: Management Information Systems – Managing the Digital Firm, Pearson Education Asia, New Delhi.
6. Effy Oz, Management Information Systems, Vikas Publishing House, New Delhi.
7. Haag, Cummings and Mccubbrey: Management Information Systems for the Information Age, Tata McGraw Hill, New Delhi.
8. Post, Gerald V and Anderson, David L: Management Information Systems, Tata McGraw Hill, New Delhi.

COST ANALYSIS AND CONTROL

MFC - 302

Objective: The objective of this course is to develop conceptual ideas about the importance of cost accounting and how it is used for different decisions in industry.

UNIT – I

Cost concepts, Types of Cost, Cost sheet/ Costing Systems, Material Control and Valuation, Target Costing, Life Cycle Costing and back flush costing.

UNIT – II

Direct Costing: Theory and Practice, Cost-Volume-Profit analysis, Special decisions based on differential cost analysis. Activity Based Costing.

UNIT – III

Standard Cost: Development of Standard costs, Significance analysis and investigation of variances, Accounting for variances single plan and partial plan.
Budgetary Control System: Multiple roles of budgeting, organizational behavior and operating budgets.

UNIT – IV

Performance Evaluation: Evaluation of Cost Centre, Profit centre and Investment centre performance, Evaluation criteria, return on capital employed and residual income. Non-financial quality performance measures.
Transfer Pricing: Divisional performance and transfer pricing. Transfer pricing determination.

References:

1. Horngren & Foster : Costing Accounting- A Managerial Emphasis
2. Usry & Hammer : Cost Accounting: Planning & Control
3. Jawaharlal : Cost Management

SECURITY ANALYSIS AND INVESTMENT MANAGEMENT

MFC - 303

Objective: To enable the students to understand various techniques of analysis used in investment decisions, portfolio analysis and efficient portfolio management

Unit – I

Security Market Analysis: Investment environment Types of return and risk; Sources of risk
Technical Analysis Fundamental Analysis: Economic Analysis, Industry Analysis, Company Analysis:

Unit – II

Forms of Market Efficiency and Valuation of Securities : Random Walk Theory Form of Market efficiency Analysis of Bond/ Debentures: Valuation of bonds Analysis of risk in bonds-duration and convexity Valuation of Equity and Options

Unit – III

Portfolio Analysis : Portfolio Management – Meaning, Evaluation & Role Risk & Return of a Portfolio, Risk Diversification Markowitz Risk-Return Optimisation Single Index Model-Portfolio Tufel Risk. Portfolio Market Risk, Portfolio Unique Risk Sharpe's Optimisation Solution

Unit – IV

Portfolio: Theory, Construction & Evaluation: Capital Market Theory- CAPM, Risk Free Lending Borrowing Arbitrage Pricing Theory Techniques of Portfolio Construction Active and Passive portfolio management, Bond portfolio management strategies-passive, semi-active and active along with immunization strategies Portfolio Performance Evaluation

Reference Books:

1. Fuller & Farrel: Modern Investment & Security Analysis, McGraw Hill.
2. Strong, Robert. A: Portfolio Management Handbook. ,Jaico Publishing House, Delhi.
3. Singh, Preeti: Investment Analysis , Himalaya Publishing House.
4. Jordan & Fischer: Security Analysis & Portfolio Management., Prentice Hall India N. Delhi.
5. Avadhani, V.A: Security Analysis & Portfolio Management. (Himalaya Publishing House.

CORPORATE GOVERNANCE

MFC - 304

OBJECTIVES: The objective of this course is to explore architecture of corporate governance, the role of regulatory authorities, models of corporate governance, principal-agent theory within the corporate context, as well as corporate culture, corruption, management and board compensation and conceptions of social responsibility, and capital market development.

UNIT-I

Introduction to the Corporation and Corporate Governance: The nature, significance, formation and historical development of the corporation; Significant characteristics of the corporation from governance point of view; the corporation as distinguished from other types of forms of business organizations; Introduction to agency concepts (board and managers/stockholders, majority and minority stockholders) and to ‘ agency problem’; Meanings and significance of corporate governance. Factors affecting quality of Governance. Principles of Corporate Governance.

UNIT-II

The Internal and External Institutions of Corporate Governance: The purpose of the corporation; corporation and its stakeholders; The concept of corporate social responsibility; The internal institutions of corporate governance (Directors and their committees, managers, and shareholders); Choices within legal constraints, e.g., anti-takeover defenses; mitigation and indemnification.

UNIT-III

Accountability of managers and Stockholders: Defining and enforcing managers’ duties; Mechanisms of stockholders accountability (through voting and proxy contests, derivative and class actions, takeovers, tender offers, and markets for corporate control); Outside forces (Regulators, government enforcement); Committees on Corporate Governance; Cadbury, Greenbury and Hampel and Kumar Mangalam Birla.

UNIT-IV

Corporate Governance in India, The Companies (Amendment) Act, 1999, Securities Laws (Amendment) Act 1999, CII Code on Corporate Governance , Companies (Appointment of Small Shareholders, Directors) Rules 2001 and SEBI efforts for Corporate Governance CII, Corporate Governance and privatization; Insolvency regimes and their effect on corporate governance.

References:

1. Fernando A. C. (2006) Corporate Governance: Principles, Policies and Practices, Pearson Education.
2. Hansman, H. (2007) The Ownership of Enterprises, The Belknap Press of Harvard University
3. Harvard Business Review : Harvard Business Review on Corporate Governance, Harvard Business Press.4.
4. Lipman,F. D. and L. K. Lipman (2006) Corporate Governance Best Practices: Strategies for Public, Private, and Not-for-Profit Organisations, Wiley and Sons.

TAX PLANNING AND MANAGEMENT

MFC – 305

Objective : The aim of this course is to familiarize the student with major latest provisions of the Indian tax laws and related judicial pronouncements pertaining to corporate enterprises having implications for various aspects of Corporate planning with a view to derive maximum possible tax benefits admissible under the law.

UNIT-I

Structure of Direct and Indirect Taxes in India. Concepts, Significance and Problems of Tax Planning, Tax Avoidance and Tax Evasion–Recognized methods of Tax Planning: Ensuring maximum claims for deduction for companies with special emphasis on depreciation allowance, expenses of scientific research, amortization of preliminary expenses and amounts not claimed otherwise. Taking advantages of available reliefs, rebates and tax free sources of income.

UNIT-II

Definition of various kinds of companies - Meaning of company under IT Act. Residential status of companies and implications for Tax Planning. Assessment of companies including carry forward and set off of losses.

UNIT-III

Tax implications in planning of business unit as Proprietorship, Partnership, Pvt. Ltd. & Public Ltd. Tax planning in the context of exemptions, incentives, export promotions & various deductions under Chapter – VI of Income Tax Act Setting up of a new Industrial Establishment: location aspects; nature of business; planning for tax holiday benefits Specific management decisions such as (1) make or buy; (2) own or lease, (3) repair or replace; (4) export vs. local sale; (5) shut down or continue; (6) expand or contract.

UNIT-IV

Indirect Tax Planning: Central Excise Act – Planning in relation to nature of activity, use of power, commodity to manufacture, method of selling, scale of investment, number of workers, location of units, etc. Exemption from excise duty levy - nature and types of exemption, Special reliefs for exports and SSI units. Set-off of duties - meaning, schemes of set-off VAT / Sales Tax Act – Method of executing sales through branches, head office and factory; export contracts and implications on penultimate sales, canalized exports –implications.

Reference Books:

1. Singhanian, V.K.: Direct Taxes: Laws and Practice , Taxman N. Delhi
2. Singhanian, V.K. : Direct Tax planning and Management(Taxman N. Delhi
3. Prasad, Bhagabati: Direct Tax Law & Practice, New Age Publ., N. Delhi
4. Merhotra, H.C.: Direct Taxes Planning, Sahitya Bhavan, Agra.
5. Srinivas E.A. Corporate Tax Planning , TMG, New Delhi.
6. Lakhota R.N. Corporate Tax Planning , Vision Publications, N Delhi
7. Ahuja, Girish & Gupta, Ravi: Systematic Approach to Income Tax; Central Sales Tax , Bharat Law House, N Delhi.
8. Datey V.S. Indirect Taxes - Law and Practice, (Taxman Publications, New Delhi.

MANAGEMENT CONTROL SYSTEMS

MFC – 401

OBJECTIVE : To develop the abilities of the students to design and evaluate management control system.

UNIT-I

Nature and scope of M.C.S.–Basic concepts, Boundaries of Management Control.

Corporate Level Strategies, Business Unit Strategies.

Behaviour in Organization – Goal congruence. Informal and Formal Control System. Types of Organizations. Functions of the Controller.

UNIT-II

Management Control Structure – Responsibility centers, Revenue Centers, Expense centers, Administrative and support centers, Research and Development centers, Marketing centers, profit centers. Transfer Pricing - Objective, Methods, Pricing Corporate Services, Administration of Transfer Prices. Measuring and Controlling Assets Employed–Structure of the analysis. Measuring assets employed, EVA Vs ROI Alternative Approaches.

UNIT-III

Analyzing Financial Performance–Variance Analysis. Performance Measurement–Information used in Control System. Performance Measurement–The Techniques, Interactive Control. Management Compensation–Characteristics of Incentive Compensation Plans, Stock Options, Phantom. Shares, Performance Shares, Performance Criteria and Agency Theory.

UNIT-IV

Variation in Management Control–Revolution in Management Control Emerging Management Systems. Implications of Management-Accounting, Positioning of Management Accounting, Controls for differentiated. Modern Control Methods–Just-in-time (JIT), Total Quality Management, Computer Integrated. Manufacturing, Decision Support Systems. Service Organisations and Financial Service Organisations and M.C.S. Multinational Organisation and M.C.S. M.C. Projects.

References:

1. Usry and Hammer : Cost Accounting : Planning and Control.
2. Morse and Rodh : Cost Accounting : Processing, Evaluating and Using Cost, Data.
3. Robert N. Anthony : Management Control System.
4. Horgrew and Datar : Cost Accounting–A Managerial Emphasis.
5. Edwin H. Caplan : Managements Accounting and Behaviour Science.

INTERNATIONAL FINANCE

MFC-402

OBJECTIVES: To provide insight to the management of financial environment in international context.

UNIT-I

(a) International Financial Environment and International Accounting International Economic Issues and Dimensions, Finance Function in a Multi National Firm, International Financial Flows; the Balance of Payment Framework, International Financial System and Institutions.

(b) International Accounting

Internationalization of accounting profession. Need for international Accounting Standards and critical review Accounting Standards (1, 2, 4, 7-11, 16-23, 25 and 30) set by the International Accounting Standards committee. Harmonization of Accounting Standards.

UNIT-II

Forex Risk Management

Cash, Spot, forward and options markets. Forex: Markets and Instruments. Foreign Exchange risk and exposure-nature of exchange rate risk, accounting exposure, economic exposure and translation exposure. Management of risk and exposure through hedging and speculation. Exchange Rate-Determination and Forecasting.

UNIT-III

International Working Capital Management

Financing Foreign Trade Short term financial markets and management Euro Dollar and Euro Currencies. International dimensions of cash managements, receivable management and inventory management.

UNIT-IV

International Financial Regulation and Strategies

Forex Regulation and Control. International Financing Decisions-Long term financial markets-Equity and bond investments, International aspect of Long-term financing. International Investment Strategy: relating to capital structure & cost of capital. Evaluation of foreign direct investment difficulties.

REFERENCES:

1. Rodriquez : International Finance Management
2. Mauric D. Levi : International Finance
3. Shirin Rathore : International Accounting
4. Shapiro : Multinational Financial Management
5. Apte : International Financial Management
6. V.A.Avadhani : International Financial Theory and Practice
7. Manju Aggarwal : International Finance

MANAGEMENT OF SERVICES (BANKING AND INSURANCE)

MFC – 403

OBJECTIVE : The course will apprise the students with the management of banking and insurance.

BANKING

UNIT –I

Indian Banking System: Role of commercial banks in the development of Indian economy; Regulatory framework of Banking in India; Deregulation of financial services in India, Liberalization of financial services, Narsimhan committee report, Verma Committee Report, Prudential norms, NPA's and Income recognition norms. **Functions of Commercial Banks;** Sound Commercial Banking principles.

UNIT –II

Bank balance-sheet; basic operations of Banks; Bankers; Customer relationship.

Risk Management: Corporate planning in banks, Spread management, Risk management, Bank investments, Asset liability management, Marketing of banking products.

Electronic banking: An Introduction to e – banking.

INSURANCE

UNIT –III

Introduction of Insurance: Introduction of insurance-nature of insurance-Purpose and need of insurance-how insurance works-insurance as security tools-insurance and economic development. History of Insurance, Principles of life, marine, Accident and other forms of General Insurance.

Life Insurance in India- Organization, Management and policies of LIC, Role in national economy.

General Insurance in India: Nature of General Insurance, Organisation and Management Of General Insurance in India.

UNIT –IV

Insurance and Capital Market in India

Application of principles of Management to Insurance: An introduction, Organisational structure of insurance companies in India. Business Planning, Personnel Management and Office Administration, Insurance and Taxation. Insurance and Information technology.

References:

1. NCAER : Attitude Toward Insurance Cover
2. R.S. Sharma : Insurance Principles & Practice
3. S.P. Sharma : Organisation of Indian Insurance
4. N.N. Mishra : Insurance Principles & Practice
5. S.S. Heubnes & Kemnch Black: Life Insurance
6. Magazine : Yogashekama, Insurance Post
7. S. R. Deva : Law & Practice of Banking
8. H. L. Tandon : Banking Law & Practice in India
9. P.N. Varshney : Banking Law & Practice
10. Reed Cottors : Commercial Banking
11. Joshi : Managing Indian Banks
12. M. K. Singh : Banking Sectors Management
13. Richard Hands Combe : Bankers' Management
14. Timothyw Koch S. ScottMacdonald: Bank Management.

STRATEGIC MANAGEMENT

MFC- 404

Objective: The main object of course is to expose the student to the strategic issues in decision making.

UNIT- I

1. Introduction to the Concept of Strategy: Nature scope and Importance of Strategy. The strategic management process, Defining strategic intent: Vision, Mission, Goals & Objectives.
2. Environmental Analysis: The Internal & External environmental analysis.
3. Evaluating Corporate resources, core competencies & technological strengths.

UNIT- II

4. Strategy formulation: Introduction, Formulating organizational, Business and Functional level strategies. Constraints in strategy formulation
5. Choosing a strategy: Choice of a strategy, Evaluation of opportunities, Allocation of resources, Criteria for choosing a strategy.

UNIT- III

6. Exploring the generic Strategic Alternatives: Porter's five forces analysis.
7. Explaining the Strategic Alternatives of Mergers & Acquisitions, Joint ventures, Strategic alternatives in global industries.
8. Turnaround & Privatization.

UNIT- IV

9. Implementation, Evaluation & Control of strategy.
10. The 7's framework.
11. Social Responsibility & Strategy.

References:

William J Gluelk & Jane G & J, Business policy & Strategic management
R. Srinivasan, Strategic Management: The Indian context, Prentice Hall
Kenneth Andrews, The Concept of Corporate Strategy, Erwin Homewooa,
S.C. Certo & J P Peter, Strategic Management, M C Graw Hill, New York
J. A. Pearee & R B Robinson. Strategic Management, M C Graw. New York.
M. E. Porter, Competitive Strategic, The Free Press.

FINANCIAL ENGINEERING

MFC-405(I)

Objective: The objective of the course is to enable the students in understanding & analyzing investment problems and developing their skills for the solution of these problems with the help of innovative financial processes, instruments & strategies.

Unit I

Understanding Meaning and Need of Financial Engineering:

Features and types of financial derivatives, Financial engineering vis a vis financial analysis, factors leading to increasing need for financial engineering, Financial engineering in India – Derivatives and futures markets

Unit II

Mechanics of Financial Engineering:

Valuation concepts: time value of money, cash flows, sensitivity analysis, compounding, risk and return analysis, risk management value chain, source of price risk, volatility, absolute and relative valuation, hedging, Interest rates and exchange rates, arbitrage and market efficiency

Unit III

Product development and strategies:

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, option strategies, arbitrage restrictions on option prices, Hedging approaches with options, Equity related instruments: options, warrants, subscription rights, investment vehicle, index futures and options, foreign equities, Treasury bond and notes futures

Unit IV

Emerging instruments, concepts and issues:

Assets and liabilities management, corporate restructuring and LBO/MBO, Value at Risk (VaR), Hybrid securities, Credit derivatives, Options on debt instruments, Exotic options, Synthetic instruments, Issues related to accounting treatment of derivatives, corporate risk management: planning and controlling reasons for hedging, cash flow hedges and value hedges, capital structure and hedging

References:

Varma, Jayanth Rama, “Derivatives and Risk Management”, Tata Mc GrawHill
Dubofsky, David A., “Derivatives”, Oxford University Press
Gupta, S.L., “Financial Derivatives”, PHI
Hull, John C., “Options, Futures And Other Derivatives”, PHI
Neftci, Salih N., “Financial Engineering”, Elsevier
Marchall, J.F., Bansal, V.K., “Financial Engineering”, PHI

COMPUTER APPLICATION IN ACCOUNTING

MFC-405 (II)

OBJECTIVES: The course is designed to develop skills in identifying and analyzing information needs for managerial decision making. The course aims at harnessing, information technology in various functional areas.

UNIT-I

- Introduction to Computers
- Accounting Information Systems
- Spreadsheet Software and Managerial Application

UNIT-II

- Nominal sales and purchase ledger maintenance and reporting
- Stock control – tracking stock movements – Traditional: Rush Manufacturing: Pull Manufacturing
- Sales order processing and reporting – In Web – based business environment. Inventory System

UNIT-III

- E – Analysis of financial statements – for External and Internal use.
- Managerial Application of Computers: Computer based Financial System
- Internet and Corporate Finance

UNIT-IV

- Online Treasury and Cash Management
- Online Share Trading
- E – Banking

REFERENCES:

1. Laudon and Laudon (1996), Management Information System, IVth Ed., Prentice Hall India (Pvt.) Ltd.
2. James O' Brien (1998), Management Information Systems; Managerial End User Perspective, Galgotia Publ., New Delhi.
3. Davis, G.B and M.H. Olson (2000), Management Information Systems; Concepts: Foundations. Tata McGraw Hill, New Delhi.
4. Arora, A and A. Bhatia (1999), Information Systems for Managers. Excel Books, New Delhi.
5. Murdick and Ross, Information System for Management.
6. J. Kanter, Management Information Systems.
7. G.E. Anders, C.R. Schaber and R.D. Fish, Glencoe, Spreadsheet Accounting- Tutorial and Applications, McGraw Hill, 1995.
8. Shelly Cashman, Course Technology, 2000, Microsoft office 2000 Excel Comprehensive
9. D.H. Klooster & Allen, 1991, Integrated Accounting-Using ACCPAC BEDFORD Software.
10. Claire May and Gordon S. May, (Fourth Edition), Effective Writing: A Handbook for Accountants.
11. Roger A. Gee (San Diego Mesa College), Computer Accounting Applications Using Business Works.

PROJECT PLANNING & ANALYSIS

MFC – 405 (III)

Objective: The objective of the course is to provide the student with skills necessary to create, plan and control a new Enterprise.

Unit – I

Project Identification Formulation and Planning : Understanding environment for business opportunities Idea generation, short listing and selection of product/service Stages in Venture Appraisal- Technical, Financial, Economic and Social Appraisal Location, Factory Design and Layout. Commercial vs. National Profitability Social Cost Benefit Analysis (broader concept only) Feasibility Report Preparation for new Enterprise- format and contents.

Unit – II

Market and Financial Appraisal : Market Survey – Design, Data Sources and Methodology Market Segmentation and product differentiation Forecasting Future demand and Distribution Analysis Preparation of the Sales Plan and Report Estimation of Financial Requirement.

Unit – III

Application of Capital Budgeting Techniques Risk and Uncertainty Analysis for the new enterprise Planning Capital Structure and Financing Project Financial viability Study.

Unit – IV

Project Implementation and Management :Project Organisation and Control Network Analysis – PERT & CPM Cost and Time Over-run Project Follow up and Monitoring

Reference Books:

1. Chandra, Prasanna.: Project Preparation, Appraisal and Implementation , Tata Mc Graw Hill, N. Delhi.
2. Desai, Vasant.: Entrepreneurial Development, Vol.II Project Formulation Appraisal and Financing for Small Industry, Himalaya Publ. N. Delhi.
3. Nicholas: Project Management for Business and Technology: Principles and Practice (Prentice Hall of India, N. Delhi.
4. Pitala.: Project Appraisal Techniques, (Oxford & IBH Publication.
5. Yound, Trevour L.: Planning and Implementing Project Sterling Publishing Ltd.
6. Krishnan and Moorthy: Text Book of Project Management , Mac Millan India Ltd.
7. Singh, Narendra.: Project Management & Control, (Himalaya Publ., N. Delhi.