

**ST. XAVIER'S COLLEGE (AUTONOMOUS), KOLKATA
UNDER UNIVERSITY OF CALCUTTA**

POSTGRADUATE & RESEARCH DEPARTMENT OF COMMERCE (M. COM)

CURRICULUM- 2022

SEMESTER I

Sl. No.	Subjects	Paper Code	Total Marks	Credit Points
1	Organizational Behaviour	MCOM2211C	50	3
2	Strategic Human Resource Management	MCOM2212C	50	3
3	Economics for Managers-I	MCOM2213C	50	3
4	Statistics for Business Decisions-I	MCOM2214C	50	3
5	Strategic Marketing Management	MCOM2215C	50	3
6	Strategic Financial Management	MCOM2216C	50	3
7	Principle and Practice of Taxation	MCOM2217C	50	3
8	IT for Business	MCOM2218C	50	3
	TOTAL		400	24

SEMESTER II

Sl. No	Subjects		Total Marks	Credit Points
1	Ethics, Value and Governance	MCOM2221C	50	3
2	Business Regulatory Framework	MCOM2222C	50	3
3	Economics for Managers -II	MCOM2223C	50	3
4	Statistics for Business Decisions-II	MCOM2224C	50	3
5	Strategic Management	MCOM2225C	50	3
6	Quantitative Techniques in Business	MCOM2226C	50	3
7	International Business	MCOM2227C	50	3
8	Advanced Analytical Tools for Research	MCOM2228C	50	3
	TOTAL		400	24

SEMESTER III (ACCOUNTING & FINANCE)

Sl. No.	Subjects	Paper Code	Total Marks	Credit Points
1	Corporate Accounting and Reporting	MCOM2231F	50	3
2	Financial Statement Analysis	MCOM2232F	50	3
3	Auditing and Assurance	MCOM2233F	50	3
4	Financial Institutions and Markets	MCOM2234F	50	3
5	Taxation for Business Managers (Direct Tax)	MCOM2235F	50	3
6	Research Methodology (Theory)	MCOM2236C	50	3
7	Research Methodology (Practical)	MCOM2237C	50	3
8	Strategic Cost & Management Accounting	MCOM2238C	50	3
	TOTAL		400	24

SEMESTER IV (ACCOUNTING & FINANCE)

Sl. No.	Subjects	Paper Code	Total Marks	Credit Points
1	International Finance	MCOM2241F	50	3
2	Derivative & Risk Management	MCOM2242F	50	3
3	Security Analysis	MCOM2243F	50	3
4	Portfolio and Investment Management	MCOM2244F	50	3
5	Taxation for Business Managers (Indirect Tax)	MCOM2245F	50	3
6	Dissertation including Viva- voce	MCOM2246C	150	9
	TOTAL		400	24

SEMESTER III (ACCOUNTING AND FINANCE)
PAPER 1: CORPORATE ACCOUNTING AND REPORTING
(50 Marks)
PAPER CODE: MCOM2231F

COURSE DESCRIPTION

Corporate Accounting and Reporting aims to impart knowledge about accounting and reporting, as per the latest accounting standard being followed in the country. The area of accounting is expanding and the transition from AS to Ind AS is captured well in the syllabus. Therefore, the course is designed in such a way that the students find practical applications of the same in the future.

COURSE OBJECTIVES

The course is designed to cover the fundamentals of the different relevant areas of corporate accounting and reporting techniques. The objectives of this course are:

- 1) To acquire an understanding of the appropriate accounting treatment and formulating suitable accounting policies and apply disclosure requirements specified in Accounting Standards.
- 2) To understand the process of business combination and corporate restructuring.
- 3) To prepare financial statements of subsidiaries, and understand the issues related to associates and joint arrangements.
- 4) To develop an understanding of the various forms of reporting.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Students will be able to understand the fundamental concepts of corporate accounting

CO2: The student will be able to relate the accounting and the reporting of the various financial statements of a corporate entity

CO3: The student will be able to learn about the latest developments in this field

CO4: Students will develop both problem-solving and analytical skills

COURSE CONTENTS

Unit-1: Framework for Preparation and Presentation of Financial Statements.

Unit-2: Business Combinations and Accounting for Corporate Restructuring

Unit-3: Consolidated Financial Statements - Concept of consolidation (include - associates and joint arrangements) and preparation of Consolidated Financial Statements with single subsidiary (include - acquisition of Interest in Subsidiary at Different Dates; Different Reporting Dates of Holding and Subsidiary; Disposal of a Subsidiary and Foreign Subsidiaries).

Unit-4: Accounting and Reporting of Financial Instruments (including recognition, classification and measurement; Sums included)

Unit-5: Integrated Reporting

Unit-6: Corporate Social Responsibility Reporting

Note: Relevant AS and Ind AS have to be referred to.

SUGGESTED READINGS

1. Richard Lewis and David Pendrill -Advanced Financial Accounting- Pearson Education
2. Steven M. Bragg-GAAP: Interpretation and Application of Generally Accepted Accounting Principles – Wiley
3. Ashis K Bhattacharya -Indian Accounting Standards- McGraw-Hill Education (India).
4. Ravi.M.Kishore- Advanced Accounting with Accounting Standards: Problems & Solutions – Taxmann
5. Praveen Sharma and Kapileshwar Bhalla – Financial Reporting (I and II) Problems and Solutions [CA Final]- Taxmann

PAPER 2: FINANCIAL STATEMENT ANALYSIS (50 Marks)
PAPER CODE: MCOM2232F

COURSE DESCRIPTION

Financial Statement Analysis is vital for interpretation of the financial statements and other financial reports available in the public domain. The wholesome understanding of a company's performance and future prospects is possible to know with proper analysis of the financial statements.

COURSE OBJECTIVES

The course is designed to provide a foundation on the area of financial statement analysis. The objectives of this course are:

- 1) To understand the various aspects of financial statements
- 2) To analyse and interpret various financial ratios
- 3) To conduct proper valuation of companies
- 4) To understand the symptoms of corporate failure and predict the same with the help of models
- 5) To understand learn the liquidation principles followed in India

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Students will be able to solve problems on financial statement analysis and interpret the results

CO2: The student will be able to relate the analysis and interpretation of statements of companies with real life situations

CO3: The student will be able to learn about valuation of companies

CO4: Students will develop both problem-solving skills required for dealing with liquidation of companies

COURSE CONTENTS

Unit-1: Financial Statement analysis—meaning, need, limitations, and qualitative analysis and problems of off-balance sheet items.

Unit-2: Tools and techniques of Financial Statement Analysis (profitability, liquidity, solvency and cash flow ratios)

Unit-3: Valuation of business- Value added statement and Economic value added, Financial Modelling

Unit-4: Corporate failure- meaning, causes and symptoms. Use of models for prediction of corporate failure, liquidation sums as per the Insolvency and Bankruptcy Code

Unit-5: Credit and Equity Risk Analysis: Types of credit and equity risks - Concept of credit rating - Models for prediction of bond rating and bond risk premium - Techniques of equity risk analysis

SUGGESTED READINGS

1. Lev, B. *Financial Statement Analysis: A New Approach*, Prentice Hall
2. White, Sondhi and Fried, *The Analysis and Use of Financial Statements*, John Wiley & Sons
3. Foster, G., *Financial Statement Analysis*, Prentice Hall.
4. Bernstein and Wild, *Financial Statement Analysis: Theory, Application and Interpretation*, McGraw Hill
5. Steven M. Bragg-GAAP: Interpretation and Application of Generally Accepted Accounting Principles–Wiley Wild,
6. Subramanyam and Halsay, *Financial Statement Analysis*, McGraw-Hill
7. George Foster, *Financial Statement Analysis*, Pearson Education
8. Ashis K. Bhattacharyya, *Financial Statement Analysis*, Prentice Hall India

PAPER 3: AUDITING AND ASSURANCE (50 Marks) PAPER CODE: MCOM2233F

COURSE DESCRIPTION

Audit is a multidimensional and dynamic subject. The subject is also very technical and practical in nature. The methods and techniques of auditing is changing over the period of time due to the changes in the accounting systems, methods and procedures and amendments and revisions of the governing rules and regulations.

COURSE OBJECTIVES

The course is designed to provide a foundation on the methods and procedures of modern auditing. The objectives of this course are:

- 1) To know the overall objectives and application of audit in different types of organisations.
- 2) To understand the various concepts used in auditing practices.
- 3) To understand different methods, techniques and procedures of conducting audit.
- 4) To get an idea about different regulations and pronouncements governing the auditing work.
- 5) To understand the art of writing audit reports to be prepared after effective completion of audit work.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Know the basic objective of conducting audit in profit-seeking and non-profit seeking organisations

CO2: Understand various tools, techniques, methods and procedures of conducting audit in an effective manner

CO3: Identify the difference between different types of audit reports and the art of writing appropriate audit report

CO4: Understand different regulations and pronouncements governing the auditing work.

COURSE CONTENTS

Unit-1: Auditing Concepts: An overview of the postulates and concepts of auditing; meaning and importance of auditor's independence; factors compromising auditor's independence; regulatory framework for ensuring auditor's independence, including the Code of Ethics issued by the ICAI; the audit and assurance services and the audit expectation gaps; Difference between Audit and Assurance.

Unit-2: Auditing and Assurance Standards: An overview of the structure of Standards issued by the Auditing and Assurance Standards Board of the ICAI (viz. SQCs, SAs, SAEs, SRS); Standard on Quality Control (SQC-1: Salient features); Major thrust areas of Standards on Auditing (SAs); General Principles and Responsibilities; Provisions of the Companies Act 2013 on SA.

Unit-3: Objective and Scope of Auditing: Overall Objectives of the Independent Auditor and Conduct of an Audit in Accordance with Standards on Auditing. (SA 200)

Unit-4: Audit Risk and Materiality: Assessment of Risk in Audit and the auditor's Response (SA 315). Role of Auditor in the detection and prevention of Fraud, Fraud Risk Factors and Fraud Prone Areas – Reporting of Fraud. (SA 240)

Unit-5: Audit Report: Unmodified Opinion; Modified Opinion- Qualified, Adverse, and Disclaimer. Notes on accounts; distinction between notes and 'emphasis of matter' and qualifications - Reporting to the members on CARO' 2020 and Internal Financial Control- New trend in Audit Reporting- Short form audit report to Long Form Audit Report. (Ref: SA 700, SA 705, SA 706)

Unit-6: Professional Ethics & Misconduct: Code of Ethics 2020, with special reference to the relevant provisions of The Chartered Accountants Act, 1949 and the Regulations there under.

Unit-7: New Areas of Auditing: Forensic Audit, Social Audit, Environmental Audit and Information System Audit

SUGGESTED READINGS

1. Kamal Gupta, Contemporary Auditing, McGraw-Hill Education (India) Ltd.
2. B. N. Tandon, Auditing Practice, Sultan Chand, New Delhi
3. Victor Z. Brink and Herbert Witt, Modern Internal Auditing, A Ronald Press Publication, John Wiley & Sons
4. R.J. Thirau, Management Auditing: A questionnaire approach, AMACOM Publication
5. Emile Woolf, Auditing Today, Prentice Hall
6. Basu. S. K., Audit and Assurance: Pearson Education

PAPER 4: FINANCIAL INSTITUTIONS AND MARKETS (50 Marks) PAPER CODE: MCOM2234F

COURSE DESCRIPTION

Financial institutions and markets are the backbone of a nation's economy. The subject helps to understand how money mobilization takes place through the simplest and the more complex mediums in an economy. The constant money mobilization helps to turn the economic wheel of a

COURSE OBJECTIVES

nation, and thus add-on to the GDP of a country. The subject provides an in-depth insight into the perspectives of the investors, intermediaries and companies, who are involved in the capital formation process. It also gives an understanding of the various rules and regulations that are required to have an all-round knowledge of the subject.

The course deals with a dynamic subject, which gets updated very frequently. With that concept in mind, the following objectives of the course are laid below:

- 1) To understand the workings of the Indian financial system
- 2) To have a clear concept of the money market
- 3) To learn about the detailed aspects of the Indian capital market
- 4) To know about the roles played by the different financial intermediaries in India
- 5) To understand the importance of foreign investments in India

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Apply practical knowledge relating to Indian financial market

CO2: Understand the evolution and reforms in the Indian financial market

CO3: Draw relations between economic development and the financial intermediation of various service providers

CO4: Understand India's position with respect to the global financial markets

COURSE CONTENTS

Unit-1: An Overview of Financial System: Introduction—Nature and role of financial system—Components of financial system—Relationship between financial system and economic development — An overview of the functioning of the Indian financial system in the liberalized environment— Functioning of financial markets in the globalised financial system.

Unit-2: Money Market Operations: Introduction—Role of Money market in the economy – money market and banks—Banking System Liquidity — Money market operation and instruments – Role of FIMMDA — money market mutual funds (MMMFs)— money market intermediaries (including primary dealers) — limitation — Recent developments in Indian Money market and global money markets.

Unit-3: Capital Markets: Introduction—equity market: primary and secondary market —long term debt market (primary and secondary): corporate and government debt market, Public Sector Units (PSU) bonds market —leading global capital markets—integration of Indian capital markets with global capital markets— capital markets reforms—capital market regulations and role of SEBI

Unit-4: Primary Capital Market Operations: Introduction—issue of securities: public issues— Large Caps and SMEs (IPOs & FPOs, fresh issue of securities & offer for sale), rights issue, bonus issue, private placement (preferential allotment, qualified institutional placement), ADRs, GDRs, IDRs —categories of investors: retail individual investors (RIIs), non—institutional investors (NIIs), and qualified institutional buyers (QIBs) including anchor investors —public issue mechanism: fixed price, book building and pure auction mechanism — book building mechanism: book—building process and role of various intermediaries including merchant bankers, deciding

upon the price band, determining cut—off price, red herring prospectus, allotment process through 100 per cent book—building process, application supported by blocked amount (ASBA) procedure —IPO grading process in India—green shoe option operation in public issues — SEBI (ICDR) Regulations, 2018— recent trends in Indian primary capital market

Unit-5: Secondary Capital Market Operations: Introduction—an overview of leading stock exchanges: NSE, BSE, SME exchanges— listing of securities at the stock exchanges and SEBI (LODR) Regulations, 2015—various intermediaries including depository —demat account and freezing of demat account —de—materialization and re—materialization process of securities — stock exchange online trading through depository system—trading and settlement of securities under the depository system: off—market transaction, settlement of market transaction, and transmission of securities—rolling settlement cycles— Determinants of stock market index — basics of stock market indices: S&P BSE Sensex 30, S&P CNX Nifty —Recent trends in Indian stock markets. An overview of the major Capital Markets in the world.

Unit-6: Financial Services Overview: Introduction—Credit rating —Factoring and forfeiting – Housing Finance – Lease Financing – Securitization — Venture Capital – Relevant SEBI Guidelines

Unit-7: Mutual Funds: Introduction — background – working of mutual fund — structure of mutual fund in India— different types of mutual fund schemes— Lumpsum and SIP mutual Funds—Growth of Mutual fund industry in India – Relevant SEBI guidelines

Unit-8: Foreign Investments: Introduction —Foreign portfolio investment (FPI) – FDI, FII— Regulatory framework – Recent trends of foreign investment in India

SUGGESTED READINGS

1. L.M. Bhole, Financial institutions & Markets, McGraw Hill Education, New Delhi
2. Mandura Jeff, Financial Markets & Institutions, West Publishing Company, New York.
3. Meir Khon, Financial Institutions & Markets, McGraw Hill Publishing Company, New York.
4. V.A. Avadhani, Investment and securities Markets in India, Himalaya Publishing.
5. M.Y. Khan, Indian Financial System, Tata McGraw Hill.
6. B.V. Pathak, The Indian Financial System, Pearson.
7. Saha, S.S. (2021). Indian Financial System: Financial Markets, Institutions and Services , New Delhi, McGraw Hill Education (India) Pvt. Ltd., New Delhi, 2nd ed
8. S. Ghose & K. Dey, Indian Financial System, Law Point Publications.

PAPER 5: TAXATION FOR BUSINESS MANAGERS (DIRECT TAX) (50 Marks) PAPER CODE: MCOM2235F

COURSE DESCRIPTION

To provide basic knowledge and equip students with the application of principles and provisions of the Income-tax Act, 1961 and the related Rules. The course is designed in such a way that the students find practical applications of the same, tax planning and financial decisions.

COURSE OBJECTIVES

The course deals with a dynamic subject, which gets updated very frequently. With that concept in mind, the following objectives of the course are laid below:

1. To have a clear concept of Profit and Gains of Business Professions and Capital Gains.
2. To learn about various exemptions and deductions.
3. To learn about the assessment of LLP and companies and business trust.
4. To know about various financial and management decisions.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Solve practical problems Profit and Gains of Business Professions and Capital Gains.

CO2: Learn the method of computation of taxable income & tax liability about LLP, company, and business trust.

CO3: Learn about different types and tools of tax planning.

CO4: Develop both financial and managerial decision making.

COURSE CONTENTS

Unit-I. Profits and gains from Business or Profession:

Computation of business income under normal and presumptive taxation scheme under Sec.44AE.

Unit-II. Capital Gains and Income from Other Sources:

Transfer of assets between holding company and wholly owned subsidiary company, Business restructuring, Exemptions u/s 54D,54EE, 54G, 54GA, Deemed dividend under Sec.2(22) and its taxability.

Unit-III: Exemptions and Deductions:

Deductions under chapter VI-A available to new corporate industrial undertakings.

Unit-IV: Assessment of various entities:

Taxation of LLP (including AMT), Taxation of companies (including MAT), Taxation of Business Trusts.

Unit-V: Anti-abusive Provisions:

Transactions involving payment to interested persons, payments otherwise than by account payee cheque or draft, contribution to non-statutory trust or fund, interest tripping, bonus stripping.

Unit-VI: Tax Planning:

Concepts, objectives, types and tools of tax planning, Tax planning for setting up a new business (location, nature, form of ownership). Tax planning under different heads of income, set-off and carry forward of losses and deductions under chapter VI-A.

Unit-VII: Financial Management Decisions:

Capital structure decision, Dividend Policy (including treatment of inter corporate dividend and deemed dividend), Bonus shares, Buyback of shares, Redemption of Preference shares, Conversion of debentures into Preference shares and Equity shares.

Unit VIII: Specific management decisions:

Own or lease or hire of assets purchased, purchase of asset by instalment payment or hire purchase, own fund or borrowed fund for financing of assets, make or buy, shutdown or continue operation, Business restructuring, personal compensation plans.

SUGGESTED READINGS

1. V. K. Singhania and Monika Singhania, Corporate Tax Planning & Business Tax Procedures, Taxmann.
2. G. Ahuja and R. Gupta, Professional Approach to Direct Tax Laws and international taxation, Commercial Law Publishers (India) Pvt Ltd.
3. H.C. Malhotra & S.P. Goyal, Corporate Tax Planning & Management, Sahitya Bhawan Publication.

PAPER6: RESEARCH METHODOLOGY (THEROY) (50Marks) **PAPER CODE: MCOM2236F**

COURSE DESCRIPTION

To provide basic knowledge on the basic foundations of research. This course will also deal with research design, measurement and skills. The conceptual framework necessary in formulating research problem will be elaborated in details.

COURSE OBJECTIVES

The course deals with a dynamic subject, which gets updated very frequently. With that concept in mind, the following objectives of the course are laid below:

1. To delve into the major foundations of research.
2. To explore on problem identification and formulation.
3. To develop understanding on the concept of sampling theory.
4. To formulate research models and explore its dimensions.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Able to formulate research question.

CO2: Able to structure the research process and its various dimensions.

CO3: Learn the different scaling techniques used in research.

CO4: Able to construct a research model.

COURSE CONTENTS

Unit-I: Foundations of Research

Meaning-Objectives-Motivation- Concept of theory-empiricism-deductive and inductive theory - Understanding the language of Research – Concept-Construct-Definition- Variable- Research Process.

Unit-II: Problem Identification and Formulation

Research Question - Hypothesis - Qualities of a good Hypothesis- Importance.

Unit-III: Research Design

Concept and Importance in Research - Features of a good research design - Exploratory Research Design - concept, types and uses, Descriptive Research Designs - concept, types and uses. Experimental Research Design

Unit-IV: Measurement

Concept of measurement- what is measured? Problems of measurement in research- Validity and Reliability. Levels of measurement- Nominal, Ordinal, Interval and Ratio.

Unit-V: Sampling

Concepts of Statistical Population-Sample-Sampling Frame-Sampling Error, Sample Size-Non Response-Characteristics of a good sample-Probability Sample- Simple Random Sample- Systematic Sample-Stratified Random Sample -Multi-stage sampling-Determining size of the sample- Practical considerations in sampling and sample size.

Unit-VI: Elements of Theoretical Research

Model and Model Building- Exogenous and Endogenous Variables- Relationships- Predictive Methods- Validity and Interpretations.

SUGGESTED READINGS

1. Cooper, "Business Research Methods", Tata McGraw Hill, New Delhi.
2. T.S. Wilkinson & P.L. Bhandarkar, "Methodology and Techniques of Social Research", 2010.
3. Richard A. Johnson & Dean W. Wichern, "Applied Multivariate Statistical Analysis", Prentice Hall International Inc.
4. Alan Bryman & Emma Bell, "Business Research Methods", Oxford University Press, 2011.

PAPER7: RESEARCH METHODOLOGY (PRACTICAL) (50Marks)**PAPER CODE: MCOM2237F****COURSE DESCRIPTION**

To have an exposure to real life data and explore its properties. The applications of statistical tools and methods are to be dealt elaborately with hands-on training using statistical software.

COURSEOBJECTIVES

The course deals with a dynamic subject, which gets updated very frequently. With that concept in mind, the following objectives of the course are laid below:

1. To have a hands-on experience with real life data.
2. To explore relationships among different types of variables in real life data sets.
3. To interpret and validate the research output.
4. To have a clear understanding of statistical tools applied.

COURSEOUTCOMES

On completion of this course, the students will be able to:

CO1: Able to have a clear understanding of different types of data sets.

CO2: Explore relationships among different variables used for research analysis.

CO3: Estimate empirical research models by applying both parametric and non-parametric estimation methods.

CO4: Able to interpret the empirical findings and validate the output.

COURSE CONTENTS

Unit-I: Preliminary Analysis

Descriptive statistics-Categorical variables- continuous variables-checking normality, outliers checking- Choosing the right statistics: Overview of different statistical techniques, Decision making process.

Unit-II: Statistical Techniques: Exploring Relationships

Correlation-Pearson product moment correlation-Spearman rank correlation, Partial correlation-Simple linear regression-Multiple Linear Regression-Assumptions-overall significance-multicollinearity-Variable selection methods.

Unit-III: Statistical Techniques: Compare Means

One sample and two Independent sample t test-Paired sample t test,-One way Analysis of variance-Two- way ANOVA.

Unit-IV: Non-Parametric Methods

Independent Chi square Test-Mann- Whitney test -Wilcoxon signed rank test, Kruskal- Wallis test.

Unit-V: Advanced Methods

Logistic Regression- Assumptions-overall significance-interpretations -time-series forecasting tools.

SUGGESTED READINGS

1. HOW TO USE SPSS ® A Step-By-Step Guide to Analysis and Interpretation, Brian C. Cronk, Tenth edition published in 2018 by Routledge.
2. SPSS for Intermediate Statistics: Use and Interpretation, Nancy L. Leech et. al., Second edition published in 2005 by Lawrence Erlbaum Associates, Inc.
3. Using IBM SPSS statistics for research methods and social science statistics, William E. Wagner, Fifth edition published in 2015 by SAGE Publications, Inc.

PAPER 8: STRATEGIC COST AND MANAGEMENT ACCOUNTING (50 Marks) **PAPER CODE: MCOM2238F**

COURSE DESCRIPTION

Companies must remain competitive in today's dynamic operating environment. In this course, we will intend to analyse a framework for creating a value-based performance management system. The techniques, methodologies, theories and practices behind organisational value creation will be presented in an analytical manner. This course will provide an understanding of the strengths and limitations of accounting for performance, considering the behavioral and ethical aspects of management systems.

COURSE OBJECTIVES

This course will examine the decisions managers make and the financial measures they use to achieve strategic objectives of the firm. The course focuses on the development of the modern cost system design for externally-focused and internally-focused strategies.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Understanding how managerial and cost accounting helps in decision making and to achieve the strategic objectives of the firm.

CO2: Understanding the contemporary issues that have emerged in strategic cost management.

CO3: Understanding the issues relating to the design and implementation of cost management models in modern firms.

COURSE CONTENTS

Unit-1: Introduction to Strategic Cost Management - (i) Concept of Strategic Cost Management, (ii) Limitations of Traditional Cost Management, (iii) Traditional vs. Strategic Cost Management.

Unit-2: Introduction to the Modern Business Environment - (i) Introduction/Characteristics of the Modern Business Environment, (ii) Cost of Quality and Total Quality Management (TQM), (iii) Throughput Accounting and Theory of Constraints.

Unit-3: Introduction to Lean System and Innovation - (i) Just-in-Time (JIT) JIT (including Backflush Costing and Throughput costing), (ii) Kaizen Costing, (iii) Six Sigma, (iv) Business Process Re-engineering (BPR).

Unit-4: Introduction to Cost Management Techniques - (i) Cost Control/ Waste Control, Cost Reduction, (ii) Target Costing, (iii) Value Analysis/Value Engineering, (iv) Life Cycle Costing, (v) Environmental Management Accounting.

Unit-5: Performance Measurement - Return on Investment, Residual Income, Responsibility Accounting and Reporting, Balanced Scorecard.

Unit-6: Marginal Costing and Strategic Management decision making - (a) Relevant Cost (b) Product Sales Pricing and Mix (c) Limiting Factors (d) Shut Down point (e) Decisions about Alternatives such as Make or Buy, Accept an order, Cost indifference point, and Selection of Products.

Unit-7: Management control Techniques – (a) Budgetary Control System, (b) Standard Costing and Variance Analysis.

Unit-8: Transfer Pricing: Objectives, Principles, Methods and their applications.

SUGGESTED READINGS

1. Atkinson, Kaplan, Matsumara, Yong, & Kumar. Management Accounting. Pearson Education.
2. Banerjee, B. Cost Accounting. Prentice Hall of India.
3. Basu, Banerjee, & Dandapat. Strategic Cost Management. University of Calcutta.
4. Blocher, Chen, Cokins, & Lin. Cost Management: A Strategic Emphasis. TMH.
5. Drury, C. Management and Cost Accounting. Thomson Learning and Taxman.

6. Horngren's Cost Accounting - A Managerial Emphasis. Srikant M. Datar & Madhav V. Rajan
7. Kishore, R. M. Cost Management. Taxman.
8. Lucey, T. T. Management Accounting. ELBS.
9. Saxena, & Vashisht. Cost and Management Accounting. Sultan Chand.

SEMESTER IV (ACCOUNTING AND FINANCE)
PAPER 1: INTERNATIONAL FINANCE (50 Marks)
PAPER CODE: MCOM2241F

COURSE DESCRIPTION

International finance aims to impart knowledge about the global trade and business environment and the mobilization of finance within the global arena. The foreign exchange market is discussed in details. Therefore, the course is designed in such a way that the students find practical applications of the same in the future.

COURSE OBJECTIVES

The course is designed to cover the fundamentals of the different relevant areas of international finance. The objectives of this course are:

- 5) To acquire an understanding of the workings of multinational corporations
- 6) To understand the concepts related to balance of payments and international monetary systems
- 7) To have concepts related to exchange rate mechanisms
- 8) To develop an understanding of foreign exchange risk management
- 9) To help the students understand concepts related to international transfer pricing and international taxation

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Students will be able to understand the fundamental concepts of international business and foreign exchange

CO2: The student will be able to solve conversion numerical of foreign exchange related problems

CO3: The student will be able to learn about the different facets of international finance like international transfer pricing, international working capital management etc.

CO4: Students will develop both problem-solving and analytical skills

COURSE CONTENTS

1. Introduction:

International Business and its Modes, Multinational Corporations, Domestic Financial Management & International Financial Management

2. International Monetary and Financial System:

History of Monetary System—Gold standard, Gold exchange standard, Bretton Woods System and Post Bretton Woods System, IMF and the World Bank; European monetary system - Meaning and scope, recent developments

3. Balance of Payments and International Linkages:

Balance of payments and its components; International flow of goods, services and capital; Coping with current account deficit

4. Exchange Rate: Terminology and Management

Definition of Foreign Exchange; Exchange Rate Quotation: Two Way Quote; Buying/Selling (Bid/Offer or Ask) Quotes and Spread; Direct and Indirect Quotes; Inverse Quote; Inter Bank and Merchant Rates; TT, Bill, TC, Cash/Currency Rates; Value/Settlement Date; Cash/TOD, TOM; Cross Rates; 2 Point and 3 Point Arbitrage; Nominal, Real and Effective Exchange Rates; Determination of Exchange Rate in Spot Market and Forward Market; Factors Influencing Exchange Rate; Fundamentals of Central Bank Intervention; Demand and Supply of Foreign Exchange;

5. Parity Relationships

Purchasing Power Parity; Fisher's Effect; International Fisher's Effect; Interest Rate Parity including Covered Interest Arbitrage; The Relationship between the Forward Rate and the Future Spot Rate

6. Foreign Exchange and Derivatives Markets:

Foreign Exchange Market – Features, Participants, Cash, Spot and Forward Market; Volume of Transactions; Merchant and Speculative Transactions; Regulator; FEMA; Authorized Dealers; FEDAI; OTC Market and Exchange Traded Market; Settlement Process and Settlement Risk; Currency Futures Market, Currency Options Market; Currency Swaps

7. Foreign Exchange Risk Management:

Concept of Foreign Exchange Risk; Operating exposure, Transaction exposure, Translation exposure; Management of Exposure including Hedging of Transaction and Translation Exposure

8. International Investment Decisions:

Foreign Direct Investment, International Capital Budgeting, International Portfolio Investment

9. International Financing Decisions:

International Financial Market and Instruments, Multinational Cost of Capital and Capital Structure, International Banking

10. International Working Capital Management:

Financing Foreign Trade, Current Asset Management, Financing Current Assets

11. International Transfer Pricing:

Concepts and Application

12. International Taxation:

Concepts and Application

SUGGESTED READINGS

1. Eikeman, Stonehill & Moffett, *Multinational Business Finance*, Pearson
 2. Alan C. Shapiro and Peter Moles, *International Financial Management*, Wiley
 3. V. Sharan, *International Financial Management*, PHI
 4. Prakash G. Apte, *International Financial Management*, Tata McGraw Hill
 5. V. K. Bhalla, *International Financial Management*, Anmol publication, New Delhi.
 6. Siddaiah, *International Financial Management*, Pearson
- Jeff Madura, *International Financial Management* by Asian Books Pvt Ltd, New Delhi

PAPER 2: DERIVATIVE AND RISK MANAGEMENT (50 Marks)

PAPER CODE: MCOM2242F

COURSE DESCRIPTION

The course will focus on the application of financial derivatives to the issues and problems of financial risk management. The first part of the course concentrates on introduction and pricing of derivative securities such as forwards, futures, options and swaps. The second part focuses on the application of these derivative securities for financial risk management within corporations and financial institutions. The course will also cover real world case studies to illustrate practical application of financial derivatives to solve complex risk management problems.

COURSE OBJECTIVES

The course is designed to cover the fundamentals of the different relevant areas of derivative and risk management. The objectives of this course are:

1. To use knowledge of key concepts in Finance to facilitate financial decision making.
2. To think critically about financial risk management problems and provide potential solutions.
3. To develop a strong understanding of derivative instruments and their applications.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO 1: Understand the meaning of forwards, futures, and swap contracts and determine their prices.

CO 2: Describe and analyze the price on options using the binomial framework, the Black-Scholes framework, and various extensions hereof. This includes so basic knowledge of stochastic processes and various methods for pricing financial products.

CO 3: Apply option pricing on known and partly unknown cases, and reflect on the appropriateness of the considered option pricing model in various settings.

CO 4: Describe and apply tools for hedging risk, measuring risk, and controlling risk.

CO 5: Obtain some knowledge of numerical methods in finance, for instance to approximate option prices.

CO 6: Apply methods to estimate the yield curve and derive the evolution of the yield curve from various dynamic term structure models.

COURSE CONTENTS

. Introduction

Derivatives – Meaning, Types, Uses, Dangers; Types of Traders - Hedger, Speculator, Arbitrageur; Derivatives Markets in India- Overview

2. Forward & Futures

Forward- Types, Pricing, Settlement, Arbitrage Argument; Futures -Types, Pricing, Settlement, Hedging with Commodity Futures, Arbitrage with Index Futures; Forward vs. Futures contracts

3. Option

Types, Option Positions, Payoffs, Trading Strategies: – Covered, Combination, Spread; Properties of Stock Options- Option Pricing: Factor affecting Option Prices, Upper and Lower Bounds of Option Prices, Put-Call Parity, Effect of Dividends; Pricing- Risk Neutral; Valuation, Binomial Model and Black-Scholes Model; Exotic Options.

4. Other Derivatives

a. Swaps: Types- Interest Rate Swap, Currency Swap and Equity Swap; Valuation; Risk Management with Swaps

b. Others: Commodity Derivatives; Interest Rate Derivatives and Euro Dollar Derivatives; Weather, Energy and Insurance Derivatives, Swaptions, Futures Option

5. Managing Market Risk

Greeks – Delta, Theta, Gamma, Vega, Rho, Relationship between Delta, Theta and Gamma; Value at Risk – Concepts, Methods; Portfolio Insurance

6. Credit Risk and Credit Derivatives

Concepts, Types- Credit Default Swaps (CDS) and Collateralized Debt Obligations (CDO); Credit Default Swap- Indian Scenario

SUGGESTED READINGS

1. John C. Hull and S Basu, Options, Futures and Other Derivatives, Pearson
2. N. R. Parasuraman, Fundamentals of Financial Derivatives, Wiley India
3. S. K. Parameswaran, Fundamentals of Options, TATA McGraw Hill
4. Rajiv Srivastava, Derivatives and Risk Management, Oxford University Press
5. Don M. Chance, Introduction to Derivatives and Risk Management, Cengage Learning
6. John C. Hull, Risk Management and Financial Institutions, Wiley
7. Robert Kolb, Financial Derivatives, New York Institute of Finance, New York

PAPER 3: SECURITY ANALYSIS (50 Marks) PAPER CODE: MCOM2243F

COURSE DESCRIPTION

Security Analysis gives an overview of the financial market in which an investor shall invest in multiple securities. The subject makes the students aware of the various parameters that needs to be considered for an investment.

COURSE OBJECTIVES

The course is designed to cover the fundamentals of the different relevant areas of security analysis. The objectives of this course are:

- 1) To help the students to understand the fundamental concepts of investment
- 2) To make fundamental and technical analysis required for investment decision making
- 3) To have a knowledge of related theories in the security market

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Students will be able to understand the fundamental concepts of investment decision making

CO2: The students will be able to do fundamental and technical analysis

CO3: The student will be able value equity

CO4: Students will learn to value bonds

CO5: Students will have a detailed concept of efficient market hypothesis

COURSE CONTENTS

- 1. Introduction:** Meaning of investment – speculation and Gambling – Investment avenues - Types of investors – Investment objectives – The investment process – Meaning of security – Types of securities – Meaning of security analysis-- sources of financial information.
- 2. Fundamental analysis:** Economic analysis, industry analysis and company analysis.
- 3. Valuation of securities:** preference shares, equity shares--Constant Growth model, Two-Stage Growth model, The Three-Phase Model, Valuation through P/E ratio. Free Cash Flow Valuation
- 4. Technical Analysis -** Meaning and Assumptions of technical analysis – Trend lines and their significance – Market indicators – The Dow theory – Market indices – Mutual fund activity – Confidence level – Price indicators – Support and Resistance levels – Gap analysis -New high-low – The most active list – Moving averages of stock prices – Volume indicators-Price-volume relationship – Short selling – Breadth of market (Advance/Decline) – Odd lot trading – Oscillators – Relative Strength Index (RSI) – Rate of Change (ROC) – Charting – Types of price charts – Price patterns.
- 5. Efficient Market Hypothesis (EMH)** – Random Walk theory – Forms of EMH: Weak, Semi-strong and Strong – EMH and empirical findings – Implication of EMH on fundamental and technical analysis – Market inefficiencies – Relevant tests of efficiency
- 6. Valuation of Bonds** – Overview of fixed-income securities – Risk factors in fixed-income securities (Systematic and unsystematic) – Bond analysis – Types of bonds – Major factors in bond rating process – Bond returns – Holding period return – Bond Valuation -- Concept of yield – Current yield – Yield-to-Maturity – Price-yield relationship – Bond Pricing Theorems– Duration – Immunization-- Term structure of interest rates and yield curve.

SUGGESTED READINGS

1. Fischer & Jordan, Security Analysis and Portfolio Management, Prentice Hall India.
2. Prasanna Chandra, Investment Analysis and Portfolio Management, Tata McGraw Hill.
3. Railley and Brown, Investment Analysis and Portfolio Management, Cengage Learning.
4. Punithavathy Pandian, Security Analysis and Portfolio Management, Vikas Publishing House Pvt. Ltd.
5. V. A. Avadhani, Investment and Securities Market in India, Himalaya Publishing House

6. William Sharpe, Portfolio Theory and Capital Market, McGraw-Hill Education, New York.
7. Elton Edwin J, Gumber; Martin J, Modern Portfolio Theory and Investment Analysis, Wiley, New York
8. Martin Pring, Technical Analysis Explained, McGraw Hill.
9. Frank J. Fabozzi, -Investments
10. Sharpe, Alexander and Baily, Investments, PHI

PAPER 4: PORTFOLIO AND INVESTMENT MANAGEMENT (50 Marks)
PAPER CODE: MCOM2244F

COURSE DESCRIPTION

This paper is an application of the concepts of security analysis, taking into account the real world risks and opportunities. This paper deals with different types of investors and the various avenues of investment options that exist in the financial markets. The optimum balance between risk and return is not easy to achieve. However, the students will learn the theoretical backdrop and practical application of the same.

COURSE OBJECTIVES

The objectives of this course are as follows:

- 1) To understand portfolio management related theories
- 2) To learn about the issues faced by portfolio managers
- 3) To analyse the risk and return profiles of various investment options
- 4) To have a realistic knowledge for designing portfolios

COURSE OUTCOMES

- CO1:** To understand the importance and scientific process of portfolio diversification
CO2: To gain knowledge about Efficient Frontier
CO3: To have a foundation of CML, SML and CAPM
CO4: To analyse securities and portfolios with the help of different indices
CO5: To determine the returns from securities

COURSE CONTENTS

1. **Risk and Return** – Computation of return – Meaning and definition of risk – Types: (Systematic risk- Market risk, Purchasing power risk, Interest rate risk, Unsystematic risk- Business risk (Internal, External), Financial risk) – Minimising risk exposure; Risk measurement - Standard deviation – Meaning of Beta – Computation and interpretation – Use of beta in estimating returns.
2. **Portfolio Analysis** – Selection and Evaluation – Meaning of portfolio – Reasons to hold portfolio – Diversification analysis – Computation of Portfolio Return and Risk - Markowitz's Model – Assumptions – Specific model – Risk and return optimization Feasible set --Efficient portfolios – Efficient frontier –Leveraged portfolios – Corner portfolios – indifference maps of investors –optimum portfolio of investors– Sharpe's Single Index model – Portfolio evaluation measures – Sharpe's Performance Index –

Treynor's Performance Index – Jensen's Performance Index.

3. **Capital Market Theory** – CAPM theory: Assumptions – CAPM Model – Capital Market Line (CML) – Optimal portfolios of investors – Security Market Line (SML) – Evaluation of securities – Present validity of CAPM – Arbitrage Pricing Theory (APT) – Assumptions – APT model – two factor and multi factor models; Principle of arbitrage, arbitrage portfolios.
4. **Equity and Bond Portfolio Management Strategy:** Passive vs. Active Management-- Passive Equity Portfolio Management Strategy-Index Portfolio Construction Techniques-- Tracking Error, Methods of Index Portfolio Investment-- Fundamental Active Strategies; Technical Strategies. Market Anomalies; Value vs. Growth Investments-- Investor Behaviour and Stock Returns. Bond Portfolio Management Strategies: Passive and Active Bond Portfolio Management Strategies.

SUGGESTED READINGS

1. Fischer & Jordan, Security Analysis and Portfolio Management, Prentice Hall India.
2. Prasanna Chandra, Investment Analysis and Portfolio Management, Tata McGraw Hill.
3. Railley and Brown, Investment Analysis and Portfolio Management, Cengage Learning.
4. Punithavathy Pandian, Security Analysis and Portfolio Management, Vikas Publishing House Pvt. Ltd.
5. V. A. Avadhani, Investment and Securities Market in India, Himalaya Publishing House
6. William Sharpe, Portfolio Theory and Capital Market, McGraw-Hill Education, New York.
7. Elton Edwin J, Gumber; Martin J, Modern Portfolio Theory and Investment Analysis, Wiley, New York
8. Martin Pring, Technical Analysis Explained, McGraw Hill.
9. Frank J. Fabozzi, -Investmentsl.
10. Sharpe, Alexander and Baily, Investments, PHI

PAPER 5: TAXATION FOR BUSINSS MANAGERS (INDIRECT TAX) (50 Marks) PAPER CODE: MCOM2245F

COURSE DESCRIPTION

To provide basic knowledge and equip students with the application of the principles and provisions of the Goods & Service Tax, Customs Law and services tax, customs law, and related rules. The course is designed in such a way that the students find practical applications for it.

COURSE OBJECTIVES

The course deals with a dynamic subject that gets updated very frequently. With that concept in mind, the following objectives of the course are laid below:

1. To have a clear concept of international taxation.
2. To have a complete idea about Goods & Service Tax, various rules, and its application.
3. To learn about the Customs Act and its application.

COURSE OUTCOMES

On completion of this course, the students will be able to:

CO1: Solve the practical problems of Relief for Double Taxation.

CO2: Learn the method of computation of GST liability, ITC, registration procedure, etc.

CO3: Learn about different types of customs duty, import and export procedures, assessable value determination, and the computation of customs duty.

COURSE CONTENTS

Introduction to International Taxation- 10 Marks

Unit-1: Meaning of international taxation; Meaning of international Transfer Pricing & Arm's length Price (ALP); Methods of computation of ALP; Thin capitalization (Sec.94B); Concept of Double Taxation and Double Taxation Avoidance Agreement (DTAA); Relief for Double Taxation.

Goods and Service Tax- 30 Marks

UNIT-2: Basic concept of GST:

Difference between direct tax and indirect tax; Pre-GST indirect tax structure in India; What is Goods and Service tax; GST council; post-GST tax structure; Concept of –Aggregate turnover, Business, India, Person, Taxable person, Taxable territory, Supplier, Recipient, Import of goods and services.

UNIT-3: Taxable event in GST:

Meaning of taxable event; Supply under GST Law; Meaning of goods and services; Supply of goods and services; Supply of neither goods nor services i.e., negative list; Deemed supply of goods and services; Services provided by Govt. / Local Authority; Different types of supply-taxable supply, zero rated supply, exempted supply, continuous supply; composite or mixed supply; Activities treated as supply under Schedule I or II.

UNIT-4: Levy of GST and Exemption from GST:

Basic charge of GST; GST levied on intra/ inter- state supply of goods or services; Brief idea of Exemption from GST;

UNIT-5: Value of taxable Supply of Goods or Services or Both:

Transaction is basis for valuation –when; Meaning of- Consideration, Market Value, Related person; Inclusion in transaction value; Exclusion from transaction value; Value of Supply where the consideration is not wholly in money[Rule27]; Value of supply in case of exchange or barter; Value of supply between two distinct persons or related persons [Rule 28]; Value of supply made or received through an agent [Rule 29]; Value of supply based on cost [Rule 30]; Value of supply of services in case of pure agent [Rule 33]; Practical questions.

UNIT-6: Time of Supply:

Statutory time for issue of invoice for taxable supply of goods or services; Determination of time of supply of goods; Continuous supply of goods and services; Goods sent on approval; Time of supply when GST on goods or services payable on reverse charge basis; Time of supply in case of supply of voucher.

UNIT-7: Place of Supply:

Location of Supplier of goods or services – how to find out; Place of supply of goods (other than goods imported or exported); Place of supply of goods which are imported or exported; Place of

supply of services (suppliers and recipients are in India).

UNIT-8: Input Tax Credit and GST Liability:

UNIT -9: Registration:

Customs Duty -10 Marks

UNIT-10: Basic concept and Definitions:

Nature of Customs Duty; Definition as per Customs Act- Territorial Waters and Customs Waters, Indian Customs Waters, Indian Exclusive Economic Zone; High Seas, Customs Station, Customs Bonded Warehouse, Customs Area, India, Import, Export.

UNIT- 11: Different Types of Customs Duty:

UNIT-12: Valuation for Customs Duty:

Find out the Value for the purpose of Customs Duty- Inclusions or Exclusions from Customs Value.

SUGGESTED READINGS

1. V. K. Singhania and Monika Singhania, Corporate Tax Planning & Business Tax Procedures, Taxmann.
2. G. Ahuja and R. Gupta, Professional Approach to Direct Tax Laws and international taxation, Commercial Law Publishers (India) Pvt Ltd.
3. CA (Dr) K.M. Bansal, GST & Customs Law, Taxmann.
4. Dr. Vinod K. Singhania, Student's Guide to GST & Customs Law, Taxmann.

