## DEPARTMENT OF COMMERCE
### PONDICHERRY UNIVERSITY

**M COM (BUSINESS FINANCE) (CBCS) DEGREE PROGRAMME**

**LIST OF COURSES OFFERED**

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<td>Management Concepts &amp; Organization Behaviour</td>
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<td>COMM 514</td>
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*Addl. Subjects included to the UGC syllabus from the Academic Year 2004-05*
1. Schools of Management Thoughts: Scientific, process, human behaviour and social system school; Decision theory school; Quantitative and system school; Contingency theory of management; Functions of a manager.

2. Managerial Functions: Planning – Concept, significance, types; Organizing – concept, principles, theories, types of organisations, authority, responsibility, power, delegation, decentralization; Staffing; Directing; Coordinating; Control-nature, process, and techniques.

3. Organisational Behaviour: Organisational behaviour – concept and significance; Relationship between management and organisational behaviour; Emergence and ethical perspective; Attitudes; Perception; Learning; Personality; Transactional analysis.


5. Group Dynamics and Team Development; Group dynamics – definition and importance, types of groups, group formation, group development, group composition, group performance factors; principle – centred approach to learn development.

6. Leadership: Concept; Leadership styles; Theories –trait theory, behavioural theory, Fielder’s Contingency theory; Harey and Blanchard’s situational theory; Managerial grid; Likert’s four systems of leadership.

7. Organisational Conflict: Dynamics and management; sources, patterns, levels, and types of conflict; Traditional and modern approaches to conflict; Functional and dysfunctional organisational conflicts; Resolution of conflict.

8. Interpersonal and Organisational Communication: Concept of two – way communication; Communication process; Barriers to effective communication; Types of organisational communication; Improving communication; Transactional analysis – in communication.

9. Organisational Development: Concept; Need for change, resistance to change Theories of Planned change; Organisational diagnosis; OD Intervention.

References
A. Financial Accounting (Weightage 40 Marks)

1. Introduction: Nature, scope and importance of financial accounting; Basic accounting concepts and conventions; Recognition of revenues and expenses; Accounting cycle and accounting equation; GAAP and accounting standards – Indian and international.

2. Valuation of Goodwill and Shares


B. Cost Accounting (Weightage 30 marks)

1. Cost Accounting: Meaning, importance and scope of cost accounting; Elements of cost material, labour and overhead costs; Method and types of costing; Cost classification; Cost sheet.

2. Cost Ascertainment: Unit Costing; Job Costing; Process Costing; Contract Costing.

3. Differential costing: Incremental costing; Product line costing

4. Reconciliation of cost and financial accounts.

References

1. Univariate Analysis: An overview of central tendency, dispersion, and skewness.

2. Probability Theory: Probability – Classical, relative, and subjective probability; Addition and multiplication probability models; Conditional probability and Baye’s theorem

3. Probability Distributions: Binomial, Poisson, and normal distributions; their characteristics and applications.

4. Statistical Decision Theory: Decision environment; Expected profit under uncertainty and assigning probabilities; Utility theory.

5. Sampling and Data Collection: Sampling and sampling (probability and non-probability) methods; Sampling and non-sampling errors; Law of Large Number and Central Limit Theorem; Sampling distributions and their characteristics.

6. Data Sources – primary and secondary; Primary data collection techniques – schedule, questionnaire, and interview.

7. Statistical Estimation and Testing: Point and interval estimation of population mean, proportion and variance; Statistical testing – hypotheses and errors; Sample size; Large and small sampling tests – Z tests, T tests, and F tests.


10. Index Numbers: Meaning and types; Weighted aggregative indices – Laspeyre’s and Paasch’s indices; Laspeyre’s and Paasch’S indices compared; Indices of weighted average of (price – quantity) relatives: Tests of adequacy; Special problems – shifting the base; splicing overlapping index series; Uses and Problems.

11. Statistical Quality Control: Causes of variations in quality characteristics; Quality control charts – purpose and logic; Constructing a control chart – computing the control limits (X and R Charts); Process under control and out of control; Warning limits; Control charts for attributes- fraction defectives and number of defects; Acceptance sampling.

References

1. Financial Management: Meaning, nature and scope of finance; financial goa – profit Vs. wealth maximisation; Finance functions – investment, financing and dividend decisions.

2. Capital Budgeting: Nature of investment decisions; Investment evaluation criteria – net present value. Internal rate of return, Profitability index, payback period, accounting rate of return; NPV and IRR comparison; Capital; rationing; Risk analysis in capital budgeting.

3. Cost of Capital: Meaning and significance of cost of capital: Calculation of cost of debt, preference capital, equity capital and retained earnings; Combined cost of capital (weighted); Cost of equity and CAPM.

4. Operating and Financial Leverage: Measurement of Leverages; Effects of operating and financial leverage on profit; Analysing alternate financial plans; Combined financial and operating leverage.


7. Management of Working Capital: Meaning, significance and types of working capital; Calculating operating cycle period and estimation of working capital requirements; Financing of working capital and norms of bank finance; Sources of working capital; Factoring services; various committee reports on bank finance; Dimensions of working capital management.

8. Management of cash, receivables and inventory.

References
1. Theoretical Framework of Business Environment: Concept, significance and nature of business environment; Elements of environment – internal and external; Changing dimensions of business environment; Techniques of environmental scanning and monitoring.

2. Economic Environment of Business: Significance and elements of economic environment; Economic systems and business environment; Economic planning in India; Government policies – industrial policy, fiscal policy, monetary policy, EXIM policy; Public Sector and economic development; Development banks and relevance to Indian business; Economic reforms, liberalisation and structural adjustment programmes.

3. Political and Legal Environment of Business: Critical elements of political environment; Government and business; Changing dimensions of legal environment in India; MRTP Act, FEMA and licensing policy; Consumer Protection Act.

4. Socio-Cultural Environment: Critical elements of socio-cultural environment; social institutions and systems; Social values and attitudes; Social groups; Middle class; Dualism in Indian society and problems of uneven income distribution; Emerging rural sector in India; Indian business system; Social responsibility of business; consumerism in India.

5. International and Technological Environment: Multinational corporations; Foreign collaborations and Indian business; Non-resident Indians and corporate sector; International economic institutions – WTO, World Bank; IMF and their importance to India; Foreign trade policies; Impact of Rupee devaluation; Technological environment in India; Policy on research and development; Patent laws; Technology transfer.

References:

8. Ramaswamy, V.S. and Nama Kumari: Strategic Planning for Corporate Success, Macmillian, New Delhi.
1. Nature and Scope of Managerial Economics: Objective of a firm; Economic theory and managerial theory; Managerial economist’s role and responsibilities; Fundamental economic concepts – incremental principle, opportunity cost principle, discounting principle equi- marginal principle.

2. Demand Analysis: Individual and market demand functions; Law of demand, determinants of demand; Elasticity of demand- its meaning and importance; Price elasticity; income elasticity and cross elasticity; Using elasticity in managerial decisions.

3. Theory of Consumer Choice: Cardinal utility approach, indifference approach, revealed preference and theory of consumer choice under risk; Demand estimation for major consumer durable and non durable products; Demand forecasting techniques.

4. Production Theory: Production function – production with one and two variable inputs; Stages of production; Economies of scale; Estimation of production function; Cost theory and estimation; Economic value analysis; Short and long run Cost functions – their nature, shape and inter – relationship; Law of variable proportions; Law of returns to scale.

5. Price Determination under Different Market Conditions: Characteristics of different market structures; Price determination and firm’s equilibrium in short-run and long-run under perfect competition, monopolistic competition, oligopoly and monopoly.


8. Inflation: Definition, Characteristics and types; Inflation in terms of demand – pull and cost – push factors; Effects of inflation.

References

12. Varsheny RL and Maheshwari KL: Managerial Economics; Sultan Chand and Sons, New Delhi.
1. Introduction: Concept, nature, scope and importance of marketing; Marketing concept and its evolution; Marketing mix; Strategic marketing planning – an overview.

2. Market Analysis and Selection: Marketing environment – macro and micro components and their impact on marketing decisions; Market segmentation and positioning; Buyer behaviour; Consumer versus organisational buyers; Consumer decision-making process.

3. Product Decisions: Concept of a product; Classification of products; major product decisions; product line and product mix; Branding; Packaging and labelling; Product life – cycle – strategic implications; New product development and consumer adoption process.

4. Pricing Decisions: Factors affecting price determination; Pricing policies and strategies; Discounts and rebates.

5. Distribution Channels and Physical Distribution Decisions: Nature, functions, and types of distribution channels; Distribution channel intermediaries; Channel management decisions; Retailing and wholesaling.

6. Promotion Decisions: communication process; Promotion mix – advertising, personal selling, sales promotion publicity and public relations; Determining advertising budget; Copy designing and its testing; Media selection; Advertising effectiveness; Sales Promotion – tools and techniques.

7. Marketing Research: Meaning and scope of marketing research; Marketing research process.


9. Issue and Developments in marketing: Social, ethical and legal aspects of marketing; Marketing of Services; International marketing; Green marketing; Cyber marketing; Relationship marketing and other developments in marketing.

References

5. Ramaswamy, V.S and Namakumari, S: Marketing management, Macmillan India, New Delhi.
6. Srinivasan, R: Case studies in marketing; the Indian context, Prentice Hall, New Delhi.


Reference Books

Distribution of Marks:
Theory 40%  
Problems 60%

UNIT II  Computation of Income from Profits and Gains of Business or Profession Income from Capital Gains – Income from other sources.

UNIT III  Clubbing of Income – set off and carry forward of losses – Deductions from Gross Total Income – Relief and rebate in respect of Income Tax

UNIT IV  Assessment of Individuals – HUFs – Firms Thrust Tax Administration – Income Tax Authorities – Procedure for Assessment


Reference Books

1. **Introduction**: Nature and role of financial system; Financial system and financial markets; Financial system and economic development; Indian financial system - an overview

2. **Financial markets**: Money and capital markets; Money markets - meaning, constituents, functions of money market; Money market instruments - call money, treasury bills, certificates of deposits, commercial bills, trade bills etc; Recent trends in Indian money market; Capital market - primary and secondary markets; Depository system; Government securities market; Role of SEBI - an overview; Recent developments.

3. **Reserve Bank of India**: Organization, management and functions; Credit creation and credit control; monetary policy.

4. **Commercial Bank**: Meanings, functions, management and investment policies of commercial banks, Present structure; E-banking and e trading; Recent developments in commercial banking.

5. **Development Banks**: Concepts, objectives and functions of development banks; Operational and promotional activities of development banks; IFCI, ICICI, IDBI, IRBI, SIDBI; state development banks, state financial corporations.

6. **Insurance Sector**: Objectives, role, investment practices of LIC and GIC; Insurance Regulatory and Development Authority-role and functions.

6. **Unit Trust of India**: Objectives, functions and various schemes of UTI; Role of UTI in industrial finance.

7. **Non-Banking Financial Institutions**: Concept and role of non-banking financial institutions; source of finance; Functions of non-banking financial institutions; Investment policies of non-banking financial institutions in India.

8. **Mutual funds**: concept, performance appraisal, and regulation of mutual funds (with special reference to SEBI guidelines) Designing and marketing of mutual funds schemes; Latest mutual funds schemes in India – an overview.

9. **Merchant Banking**: Concept, functions and growth; Government policy on merchant banking services; SEBI guidelines; Future of merchant banking in India.

10. **Interest Rate Structure**: Determinants of interest rate structure; differential interest rate recent changes in interest rate structure.

11. **Foreign Investments**: Types, trends and implications; Regulatory framework for foreign investment in India.

**REFERENCES**

COMM 422: ACCOUNTING FOR MANAGERIAL DECISIONS

HARD CORE
(4 CREDITS)

1. **Introduction to accounting**: Management accounting as an area of accounting; objective, nature, and scope of financial accounting, cost accounting and management accounting; Management accounting and managerial decisions; Management accounts position role and responsibilities.

2. **Accounting Plan and Responsibility**: meaning and significance of responsibility accounting; Responsibility centre, cost centre, profit centre and investment centre; Problem in transfer pricing; objective and determinants of responsibility centre.

3. **Budgeting**: definition of budget; Essentials of budgeting, types of budgets- functional masters etc., Fixed and flexible budgetary control; Zero base budgeting performance budgeting.

4. **Standard costing and variance Analysis**: standard costing as a control technique; setting of standards and their revision; Variance analysis - meaning and importance kinds of variance and their uses -material Labour and overhead variance; Disposal of variances; Relevance of variance budgeting to budgeting and standard costing.

5. **Marginal costing and Breaking-even Analysis**: Concept of marginal cost; Marginal costing and absorption costing; Marginal costing versus direct costing; cost-volume-profit analysis; Break-even analysis; Assumptions and practical applications of break-even analysis; decisions regarding sales-mix make or buy decision and discontinuation of a product line etc.

6. **Analysis financial statements**: Horizontal; vertical and ratio analysis; Cash flow analysis.

7. **Contemporary Issues in Management accounting**: Value chain analysis; activity based costing; Quality costing; target and life cycle costing.

8. **Reporting to Management**: Objective of reporting, reporting needs at different managerial levels; Types of reports, modes of reporting, reporting at different levels of management.

REFERENCES

1. Anthony, Robert; Management accounting, Tarapore-warla, Mumbai.
5. Hansen, Don R, and Maryanne M. Moreen; Management Accounting, south-Western College Publishing Cincinnati Ohio.
1. **Investments**: Nature and scope of investments analysis; Elements of investment - return, risk and time element; Objectives of investments; Security return and risk analysis; measurement of return and risk; approaches to investment analysis.

2. **Types of investments**: Financial investments- securities and derivatives, deposits tax sheltered investments; Non financial investments - real estate gold and other types and their characteristics; sources of financial information.

3. **Fundamental analysis**: Economic analysis, industry analysis and company analysis.

4. **Technical Analysis**: Various prices and volume indicators indices and moving averages; Interpretation of various types of trends and indices.

5. **Efficient Markets Hypothesis**: Weak, semi-strong and strong markets; Testing of different forms of markets efficiency and their significance.


7. **Valuation of Variable Income Securities**: Equity Shares.

8. **Investment by Individuals**: Investments policies of individuals, tax saving schemes in India.

**Reference**


2. **Security Markets**: Primary and Secondary markets: primary market its role and functions methods of selling securities in primary market; New financial instruments.

3. **New Issues**: SEBI Guidelines For Public Issues - Pricing of issues, Promoters Contribution appointment and role of merchant bankers underwriters, brokers, registrars and managers, bankers etc. Underwriting of issues; Allotment of shares, Procedures for new issues; e-trading.

4. **Secondary Market**: role importance, organisation of stock exchange; listing of securities in stock exchange; Trading mechanism - screen based trading; Insider trading; take-overs; Interest based trading.

5. **Depository**: Role and need; the Depositories act, 1996; SEBI (Depositories and participants regulations) 1996; SEBI (Custodian of Securities) Regulation 1996; National Securities Depository Ltd. (NSDL); Depository participant.

6. **NSC and OTCEI**: National Stock Exchange and over the counter Exchange - role, organization and management; Listing rules, procedure including formats formalities, Accounting records for buying selling transactions; Nature of transaction cash and forward settlement of trades.

7. **Derivatives Trading**: Future and options concepts, meaning and importance; methods of trading; valuation of options.

8. **Funds from International Markets**: FII, Euro issues, ADR’S GDR’S and FDI; Guidelines for raising funds from the international markets through various instruments.

9. **Credit Rating**: Meaning and necessity, credit rating agencies Methodology of credit rating.

10. **Share Price Indices**: Need and importance, compiling of index numbers and interpretation.

**Reference**

3. Machi Raju, H.R; merchant Banking; Wiley Eastern Ltd; New Delhi.
1. **Computer Hardware**: Computer system as information processing system; computer system differences - types of computer systems, hardware options - CPU, input devices, output device, storage devices, communication devices, configuration of hardware devices and their applications.

2. **Personal Computer**: PC and its main components, hardware configuration, CPU and clock speed, RAM, and secondary storage devices, other peripherals used with PC, Factors influencing PC performance; PC as a virtual office.

3. **Modern Information Technology**: Basic idea of Local Area Network (LAN) and wide area network (WAN) e-mail Internet technologies access device concept of a World Wide Web and internet browsing Multimedia.

4. **Introduction to Operating System**: Software needs, operating systems, application software, programming languages; DOS; Windows window explorer print manager control panel, paintbrush, calculator, desk top my computer, setting find run; UNIX.

5. **Word Processing**: Introduction and working with MS Word in MS -Office; Word basic commands; Formatting text and document; sorting and tables; working with, graphics; Introduction to mail-merger.

6. **Spread Sheets**: Working with EXCEL- formatting, function, chart, features; Working with graphics in excel; Using worksheets as database in accounting, marketing, finance and personal areas.

7. **Presentation with power point**: power -point basics, creating presentation the easy way; working with graphics in power-point; show time, sound effects and animation effects.

8. **Introduction to Lotus Smart Suite for Data Sheet Analysis**: Structure of spreadsheet and its applications to accounting, finance and marketing function of business creating A dynamic sensitive worksheet concepts of absolute and relative cell reference; using various built-in functions- Mathematical, statically logical and finance, functions; goal seeking and back solver tools using graphics and formatting of worksheet, sharing data with other desktop application, strategies of creating error free worksheet.

9. **Introduction to Accounting Packages**: Preparation of vouchers, Invoice and salary statements, Maintenance of inventory records; Maintenance of accounting books and financial accounts; Financial reports generation. Practical knowledge on wings Accounting and Wings Trade (Software.) Tally etc.

10. **Introduction to Statistical Packages**: Usage of statistical package for analysis in research - Lotus and Excel, SPSS; SYSTAT.

**Reference:**

1. Date C.J. An Introduction to Database Systems, Addison Wesley, Massachusetts.
2. Dienes, Sheila; Microsoft Office, Professional for Windows 95; Instant Reference; BPB Publication, Delhi.
4. Norton, Peter; Working with IBM; Publication, Delhi.
COMM 426: CORPORATE LEGAL FRAMEWORK

SOFT CORE
(3 CREDITS)

1. Indian Contract Act, 1872: Definitions, essentials of a valid contract, offer, acceptance, free consent, consideration, legality of object, capacity to contract, discharge of contract, consequences of breach of contract.


3. The Negotiable Instruments Act, 1881: Definitions, types of negotiable instruments; Negotiation; Holder and holder in due course; payment in due course; Endorsement and crossing of cheque; Presentation of negotiable instruments.

4. The Companies Act, 1956: Definitions and types of companies; Memorandum of association; Articles of association; Prospectus; Share capital and membership Meetings and resolution; Company managements; Winding up and dissolution of companies.

5. FEMA, 2000


8. WTO: Regulatory framework of WTO; Basic principles and charter of WTO; Provisions relating to preferential treatment to developing countries; Regional groupings; Technical standards; Anti-dumping duties and other NTBs; Customs valuation; Dispute settlement, TRIP and TRIMs

References

1. Avadhaani V.A SEBI Guidelines and Listing of Companies, Himalaya publishing House, Delhi.
2. Indian "Contract Act 1872
4. Securities (Contract and Regulation) Act 1956
5. Taxman’s Company Act, (Latest)
7. Taxman’s Mercantile Law (Latest)
8. The Companies Act, 1956
9. The Negotiable Instruments Act, 1881
12. Ramaiya A; Guide to companies Act; Wadhwa publishing Nagpur.
COMM 427: FUNDS MANAGEMENT IN COMMERCIAL BANK AND INSURANCE SECTOR
(3 Credits)
Soft core

1. Liquidity Management in Commercial Funds: Theories of liquidity Management; Priorities in the employment of bank funds; Problems in resource allocation in India.

2. Management of capital Funds in Commercial Banks: Meaning and function of capital funds; Necessity of adequate capital funds; Standard to measure capital adequacy; Present position in India with respect to capital adequacy.

3. Management of Primary Reserves: Nature and purpose of primary reserves; Legal reserves-nature and function; Working reserve-nature and function; cash management in commercial banks.


5. Management of Bank Deposits: Relevance of marketing approach to deposit mobilization in banks; Concept of bank marketing; Formulating marketing strategies for commercial banks-opportunity analysis, target market, competitive positioning; Implementing marketing strategy.

6. Management of Bank Loans: Characteristics of commercial loans: Loan policy in a commercial bank, evaluating loan application - credit information, credit analysis, credit decision; Priority sector lending policies of commercial banks in India.

7. Management of Bank Investments: Nature and principles of security investment of commercial banks; formulating investment policy; Volume and pattern of investment of commercial banks in India.

8. Performance Evaluation and Monitoring in Bank: Performance of banks - branch expansion, deposit mobilization and credit deployment; Profitability performance; Structure and pattern of income and expenditure in commercial banks in India


10. Risk Management Through Insurance: Role of insurance; Benefits and limitations; Risk management policies - fire insurance; Engineering insurance - machinery breakdown insurance; Public liability insurance - compulsory public liability insurance, products liability professional indemnities, employers’ liability insurance; Special features - types of cover marine insurance, aviation insurance including Inland rail/road transit insurance.

Reference:

4. Jadhav, Narendra: Challenges to Indian Banking ed. Macmillan, New Delhi
5. Joel, Bessis; Risk Management in Banking John Wiley.
6. Kotch, Timothy W; Bank Management , Dryden press, Chicago
10. Tannan, M.L Banking Law and Practice, Indian Law House, Delhi
11. Turner, H.S. Principles of Marine Insurance, Store and Cox


UNIT III Inventory Management – Need for inventories and importance of its Management - Techniques for Managing Inventory – Different Models Recorder – Point – Pricing of Raw materials and valuation of stock – Monitoring and control of Inventories.

UNIT IV Receivables Management Credit Policy – Credits evaluation credit granting decisions – Control receivables – Collection policy.


Reference Books.

2. Gitmen L.J – Basic Managerial Finance Harper & Raw
COMM 400: STOCK MARKET INVESTMENTS 3 credits
(For Non – Commerce Students)


UNIT VI  Technical Analysis: The Dow Theory – Technical indicators of the overall market – Indicators for individual stocks – Charting Techniques.

Reference Books

1. Operation Research: Concept and Significance of operations research; Evolution of operations research; Steps in designing operations research studies; Operations research models.

2. Linear Programming and its Applications: Graphic method and simplex method; Duality problem; Transportation problem; Assignment problem.

3. Introduction to other Types of Programming: Goal programming; Integer programming; Dynamic programming; Non-linear programming (introductory only)

4. Waiting Line Models: Waiters and Services; Mathematical distribution of queues; Basic models of queueing theory and applications.

5. Inventory Control: Deterministic models and probabilistic models.

6. Game Theory: Zero sum game; Pure and mix strategies; Criteria of sharing strategies.

7. Simulation: Application of simulation techniques; Monte Carlo approach.

8. Net Work Analysis: Introduction to PERT and CPM; Application areas of PERT and CPM.

References

1. Identification of Investment Opportunities: Project ideas, screening of ideas; Environment scanning and opportunity analysis; Government regulatory framework.

2. Market and Demand Analysis: Information required for market and demand analysis; Sources of information – primary and secondary; Demand forecasting.

3. Technical Analysis: Materials and Inputs; Production technology; Product mix; Plant location and layout; Selection of plant and equipment.

4. Cost of Project and Means of Financing: Major cost components; Means of financing; planning capital structure; various financing schemes of financial institutions.

5. Profitability, Financial Projections and Tax Considerations: Cost of production; Break even analysis; Projected balance sheet, profit and loss account and cash flows statement; Provisions and considerations for computing taxable income.

6. Appraisal Criteria and Appraisal Process: Methods of appraisal under certainty and risk and uncertainty; Investment appraisal in practice; Process followed by financial institutions; Project appraisal techniques.

7. Social Cost Benefit Analysis: Rationale for social cost benefit analysis; Methodology of SCBA; L&M approach; and UNIDO approach Measurement of the impact on distribution; SCBA in India.

8. Network Techniques for Project Implementation, Monitoring and Control: PERT and CPM techniques; Critical path, event slacks and activity floats; Scheduling to match availability of manpower; Measures of variability and probability of completion by a specified date; Project implementation practices in India.

References

1. Portfolio Management: Meaning, importance, objectives and various issues in portfolio construction, revision of portfolio and evaluation.


3. Single Index Model: Portfolio total risk, portfolio market risk and unique risk; Sharpe’s optimisation solution.

4. Capital Market Theory: Capital market line, security market line; Risk free lending and borrowing; recent developments.

5. Factor Models: Arbitrage pricing theory, principle of arbitrage, arbitrage portfolios; two factor and multi factor models.


8. Market Efficiency: Concept, importance and status of Indian capital market.

References

1. Introduction to Tax Management: Concept of tax planning: Tax avoidance and tax evasions: Corporate taxation and dividend tax.


3. Tax Planning and Financial Management Decisions: Tax planning relating to capital structure decision, dividend policy, inter-corporate dividends and bonus shares.

4. Tax Planning and Managerial Decisions: Tax planning in respect of own or lease, sale of assets used for scientific research, make or buy decision; Repair, replace, renewal or renovation, and shutdown or continue decisions.

5. Special Tax Provisions: Tax provisions relating to free trade zones, infrastructure sector and backward areas; Tax incentives for exporters.


References

2. Circulars issued by C.B.D.T.
1. International Monetary and Financial System: Importance of international finance; Bretton woods conference and afterwards, IMF and the World Bank; European monetary system – meaning and scope.

2. Balance of Payment and International Linkages: Balance of payments and its components; International flow of goods, services and capital; Coping with current account deficit.

3. International Financial Markets and Instruments: International capital and money markets; Money and capital market instruments; Salient features of different international markets; Arbitrage opportunities; Integration of markets; Role of financial intermediaries.

4. Foreign Exchange markets: determining exchange rates; fixed and flexible exchange rate system; exchange rate theories; participants in the foreign exchange markets; foreign exchange markets – cash and spot markets; Exchange rate quotes; LERMS; Factors affecting exchange rates – spot rates, forward exchange rates, forward exchange contracts; Foreign exchange and currency futures; Exchange rate arrangement in India; Exchange dealings and currency possession; Information and communication; Foreign exchange trades.

5. Foreign Exchange Risk: Transaction exposure, translation exposure and economic exposure; Management of exposures – internal techniques, netting, marketing, leading and lagging, pricing policy, assets and liability management and techniques.


7. International Capital and Money Market Instruments: GDRs, ADRs, IDR, Euro bonds, Euro loans, Repos, CPs, floating rate instruments, loan syndication and Euro deposits.

8. Multilateral Financial Institutions: Role of IMF, IBRD and other development banks; International investors and foreign investment institutions.


References
11. Pilbeam keith: International Finance; Mac Million press, Hong Kong.
1. Financial Services: Role, concepts, nature and characteristics; Financial services marketing versus goods marketing; Services marketing triangle; Strategic financial service marketing planning – an overview.

2. Marketing Environment: Analysing financial services marketing environment – macro and micro components; Understanding financial services customer; Service quality – GAP model and quality dimensions.


4. Marketing Mix Strategy Development and Project Planning: Need for expanded marketing mix; Concept of financial product; Product levels; Major product decisions – branding and product mix decisions, customer service strategy; Product life cycle and new product development; Innovation, diffusion and adoption.


6. Planning for Other Ps: Process Planning – role of blueprinting; Matching of demand and supply: People – employees and customers, their role and management; Managing physical evidence.

7. Customer Relationship Management.

8. Service Marketing Applications: Marketing, retention strategies of some special fund and non – fund based financial services – leasing and hire purchase services, consumer finance, insurance and factoring; Mutual funds and credit cards.

References

COMM518: FOREX MANAGEMENT


UNIT IV  Ready Exchange Rates – Principal Types of Buying Rates – Principal Types of Selling Rates – Ready Rates Based on Cross Rates.


Reference Books:

1. Alan C. Shapiro: Multinational Financial Management
Unit - I  Introduction – Meaning, Definition- Concept, Measurement scales  
Measurement errors Types of multivariate techniques – Guideline for  
Multivariate Analysis and interpretative. A structured approach to  
Multivariate model building.

Unit – II  Factor analysis – Meaning, Objectives, Assumptions, Process of  
deriving Factors and assessing overall fitness, Criteria for the number of  
Factors to Extract - Interpreting the Factors – Rotation of Factors –  
Varimax – Significance of Factor Loadings

Unit – III  Multiple Regression Analysis – Simple regression, Multiple Regression  
Objectives of Multiple Regression – Assumptions – Estimating the  
Regression model and assessing the overall model Fit – Interpreting the  
Regression variate – Assessing Multi co linearity

Unit – IV  Multiple Discriminate Analysis – Key terms – Objectives & Decision  
Process – Calculating Discriminate Z Scores – Potency Index – Rotation  
Loadings – Case wise Diagnostics – Assessing Overall Fit

Unit – V  Multivariate analysis of Variance – MANOVA – Univariate t test –  
Multivariate ANOVA – Two group case: Hotel ling’s T square –  
group MONOVA – Post hoc Tests – Interpreting results

Unit – VI  Conjoint Analysis – Key terms and Objectives – Stimuli – Managerial  
Applications – adaptive Conjoint – Full profile Versus Choice based  
Conjoint – Canonical Correlation Analysis - Objectives & Assumptions  
Deriving Canonical Functions – Weights and Loadings – Validation  
and Diagnosis

Reference Books.

1. Hair, Anderson, Tatham and Black., Multivariate Data Analysis, Pearson  
   Education Singapore) Pvt Ltd, Singapore
2. Affif and Clark., Computer Aided Multivariate Analysis, Lifetime Learning  
   Publications, California
3. Johnson RA and DW Wichern., Applied Multivariate Statistical Analysis,  
   Upper Saddle River, NJ, Prentice Hall
4. SPSS, Inc., SPSS advanced Statistics Guide, Chicago, SPSS
   Institute


UNIT V  Debt rating and Distress Analysis – Quantitative methods of debt rating Discriminate analysis – Financial Distress – University models of distress Prediction – Multi variance models – Zeta analysis – Applications of Factor Analysis


Reference Books.
1. Financial policy and strategic Planning: Components of financial strategy; Objectives and goals; Strategic planning process.

2. Investments Decisions under Risk uncertainty: Techniques of investment decision- risk adjusted discount rate, certainty equivalent factor, statical method, sensitivity analysis and simulation method; corporate strategy and high technology investments.

3. Expansion and Financial, Restructuring: Mergers and amalgamations - corporate restructuring, reasons for merger, legal procedure for merger, benefits and cost of merger; Determination of swap ratios; Evaluation of merger proposal; Corporate and distress restructuring.

4. Leasing: Meaning, importance, types, tax considerations, and accounting considerations. Evaluation of lease from the point of view of lessee and lessor and Lease versus buy decision.

5. Venture capital: Concept and developments in India; Process and methods of financing, fiscal incentives.

6. Financing Strategy: Hybrid securities namely convertible and non-convertible debentures, deep discount bonds, secured premium notes, convertible preference shares; option financing, warrants, convertibles and exchangeable.

7. Corporate Strategy, Financial Policy and Shareholder Value Creation: Linkage between corporate strategy and financial strategy; Implications of capital budgeting, capital structure and dividend policy on corporate strategy; Shareholder value - creation, measurement, and management.


Reference:

6. Hull J.C Options, Futures and other Derivative Securities, Prentice Hall of India Delhi
COMM 522: MULTINATIONAL FINANCIAL MANAGEMENT

1. Multinational Financial Management: Growth and importance of international finance; Types of risk in international finance; Reward in international finance.

2. Multinational Working Capital Management: Short term overseas financing sources; International Management of cash, accounts receivable and inventory management.

3. Multinational Investment Decisions: Capital Budgeting for Multinational corporations,

4. Financing Decision: Cost of capital for foreign investment and designing financial structure.


7. Portfolio Investment: Benefits of international portfolio investment, spreading risk international capital asset pricing, international; diversification.

8. International Tax Management: Corporate taxes, value Added Tax (VAT), Withholding Taxes, Duties and tariffs; Branch verses subsidiary taxes; tax havens.

9. International accounting and reporting: Foreign currency translation; Multinational transfer pricing and performance measurement consolidated financials reporting international accounting standards.

Reference

2. Buckley, Adrian multinational finance, Prentice Hall New Delhi.
7. Shapiro, Alan C. Multinational Financial Management Prentice Hall, New Delhi
COMM 523: DERIVATIVES AND RISK MANAGEMENT

HARD CORE
(3 CREDITS)

1. **Introduction**: meaning and purpose of derivatives; forward contracts future contracts options, swaps and other derivatives; Type of trader; Trading future contracts; Specification of the future contracts; Operation of margins, Settlement and regulations.

2. **Sources of Financial Risk**: Credit Vs market, default risk foreign exchange risk, interest rate risk, purchasing power risk etc.; System and non-systematic risk.

3. **Options**: Types of options; Options trading; Margins; Valuation of options; Binomial Option; Pricing Modal; Black-Scholes model, for Call Option; Valuation of put Options; Index options; option market exchange traded options, over-the counter options, quotes trading, margins, clearing, regulation and taxations; Warrants and convertibles.

4. **Futures**: Hedgers and speculators; Future contracts; Future market –clearing house margins, trading future positions and taxation; Future prices and spot prices; Forward prices; vs. future prices; Futures vs options.

5. **SWAPS**: Mechanics of interest rate swaps, valuation of interest rate, swaps currency swaps and its valuation credit risk and swaps.

6. **Managing Market Risk**: Hedging schemes –schemes –delta hedging, theta gamma relationship in delta theta and gamma; Vega and rho; Portfolio insurance.

7. **Derivatives Market in India**: Present position in India –regulation, working and trading activity.

**Reference**


Reference Books:

3. Central Excise and Salt Act 1944.
5. Customs Act 12962.
1. **Introduction: Concept**. Evolution and meaning of MIS; Goals of MIS; Information system for competitive advantage; Systems approach to problem solving; Challenges in the development of MIS, MIS function in an organization.

2. **Information and Managerial Effectiveness**. Information as a corporate resource, pervasiveness of information, types of information – operational, tactical and strategic; Levels of management and information needs of management; Process of generation of information; Quality of information; Information systems for finance, marketing, manufacturing, research and development and human resource areas.

3. **Information Systems**. Information systems and their role in business systems, changing role of information systems, users of information systems; Types of information systems – transaction processing system, MIS decision support system, executive support system; Enterprise Resource Planning (ERP) system, geographical information system, business expert system, etc; Procurement options and outsourcing information system services.

4. **System Development Life Cycle**. Sequential Process of software development; Computer Aided Software Engineering (CASE); Tools and the modular approach to software development; Information system audit.

5. **Development and Management of Data Bases**. Relational databases; Data Base Management Systems (DBMS) and their components; Concept of entity and relationships; Data dictionary, SQL and other related concepts in DBMS; Normalisation process.

6. **Data Communication and Networking**. Uses of computer networks, types of networks, network topologies; Network media and hardware; Data communication over telephone; Intranets and collaborative processing.

7. **Implementation, Evaluation and Maintenance of System**. Methods and steps in implementation of system; Approaches and process of evaluating MIS.

8. **Security Issues Relating to Information Systems**. Threats to information systems; Vulnerability, risk and control measures.

References
1. Concepts of Strategy: Defining strategy, levels at which strategy operates; Approaches to strategic decision making; Mission and purpose, objectives and goals; Strategic business unit (SBU); Functional level strategies.

2. Environmental Analysis and Diagnosis: Concept of environment and its components; Environment scanning and appraisal; Organizational appraisal; Strategic advantage analysis and diagnosis; SWOT analysis.

3. Strategy Formulation and Choice of alternatives: Strategies – modernization, diversification integration; Merger, take-over and joint strategies; Turnaround, divestment and liquidation strategies; Process of strategic choice – industry, competitor and SWOT analysis; factors affecting strategic choice; Generic competitive strategies – cost leadership, differentiation, focus, value chain analysis, benchmarking, service blue printing.


5. Functional strategies: Personnel and financial plans and policies.


7. Strategy and Structure: structural considerations, structures for strategies; Organizational design and change.

8. Strategy Evaluation: Overview of strategic evaluation; strategic control; Techniques of strategic evaluation and control.


References

1. Introduction to e-commerce: Meaning and concept; electronic commerce versus traditional commerce; Media convergence; E-commerce and e-business; Channels of e-commerce; Business application of e-commerce; need for e-commerce; e-commerce as an electronic trading system special features.

2. Internet Concept and technologies; concept and evolution of Internet; web technologies – global publishing concept, universal reader concept and client server concept; Hypertext publishing and hypertext information network; benefits of hypertext, URLS, HTTP, HTTPD servers, HTML, HTML forms and CGI gateway service.

3. Business models of e-commerce and Infrastructure: E-commerce models; supply chain management, product and service digitations remote servicing, procurement; on line marketing and advertising e-commerce resources and infrastructure resources and planning for infrastructure.

4. Business to consumer E-commerce: Cataloguing, order planning and order generation, cost estimation and pricing, order receipt and accounting, order-selection and prioritization, order scheduling, order fulfilling and delivery, order billing and payment management; post sales service.

5. Web-site Design: Role of web site in B2C e-commerce; web-site strategies and website design principles push and pull technologies, alternative methods of customer communication.

6. Electronic Payment System: Special features required in payment systems for e-commerce; Types of e-payment systems; E-cash and currency servers, e-cheques, credit cards, smart cards, electronic purses and debit cards; Business issues and economic implications; Operational, credit and legal risk of e-payment System; Risk management options in e-payment system; Components of an effective electronic payment system.


9. Internet Protocols: Layers and networking, OSI layering and TCP layering: TCP, UDP, IP, DNS, SLIP, and PPP; Emerging scenario in ISP.


11. Regulatory and Legal Framework of E-Commerce: Cyber laws-aims and salient provisions; Cyber-laws in India and their limitations; Taxation issues in e-commerce.

12. Multi-Media and E-Commerce: Concept and role of multimedia; Multi-Media technologies; Digital video and digitization of product and customer communication; Desk-top video conferencing and marketing; Broadband networks and related concepts; ISDN, ATM, Cell relay.

Reference:
1. Agarwal, K.N and Deeksha Ararwala; Business on the Net; What’s and How’s of E-Commerce; Macmillan, New Delhi.
2. Agarwal, K.N and Deeksha Ararwala: Business on the Net; Bridge to the Online Storefront; Macmillan, New Delhi.
UNIT I  Developments in Accounting – Research in Accounting - Accounting Educations to meet the changing needs – Generally Accepted Accounting Principles – Computerized Accounting


UNIT III  Leasing:  Accounting for Lease Transactions – Accounting for Stock Exchange Transactions – Accounting for Bonus Shares and rights Shares – Investment Accounts


Reference Books:

M COM (BUSINESS FINANCE)
DEGREE PROGRAMME
(CBCS PATTERN)

COURSE STRUCTURE AND SYLLABUS
(BASED ON UGC MODEL SYLLABUS)

APPROVED BY ACADEMIC COUNCIL
(VIDE RESOLUTION NO: 2004:44:78)

DEPARTMENT OF COMMERCE
SCHOOL OF MANAGEMENT
PONDICHERRY UNIVERSITY