

MF231: ADVANCED MANAGEMENT ACCOUNTING

Objective: To emphasize on application of theoretical knowledge and help managers in decision making. To familiarize the students with managerial financial decisions which are taking place in organizations. To appreciate the importance of financial information for decision making process.

Total Hours:55

Module – 1

(5 Hours)

Marginal Costing And Break Even Analysis - Using *P/V* Ratio, Effect Of Changes In Cost, Volume And Profit, Overall *PN* And Composite BEP, Impact Of Key Factors Including Sales Mix, Mergers Of Two Plants / Factories, Cost Difference Point, Cash Break Even Point, Profit Volume Graph, Marginal Costing Vs. Absorption Costing.

Module -2

(5 Hours)

Short Term Decision Making - Make Vs. Buy Decisions, Decisions Relating To Acceptance And Rejection Of A Special Offer / Order, Selling Price Decisions, Add Or Drop Products, Product Line Decisions, Operate Or Shut Down Decisions, Manufacture V s. Sub-Contract Or Lease Out Decisions, Decisions Based On Incremental Revenue And Differential Cost Approach, Choice Based Alternative.

Module 3

(10 Hours)

Budgeting - Budget And Budgeting, Budgetary Control, Functional Budgets, Master Budget Cash Budget, Flexible Budgets, Projected Balance Sheet, Responsibility Budgeting, Performance Budgeting, Zero Based Budgeting, Responsibility Accounting

Module 4

(5 Hours)

Financial Statement Analysis - Comparative Income Statements Analysis And Common Size, Comparative And Common Size Balance Sheet, Funds Flow Statement, And Cash Flow Statements

Module 5

(10 Hours)

Ratio Analysis-Liquidity ratios, Profitability ratios, Turnover ratios, Leverage ratios and Investment Analysis ratios., Construction of P&L account and Balance sheet with the help of ratios.

Module 6

(10 Hours)

Variance Analysis- Importance of variance analysis for cost control, Methods of calculating variances: Material cost variance, Materials Price Variance, Materials Usage Variance, Materials Mix Variance, Materials Yield variance, Labour cost variance, Labour rate variance, Labour efficiency variance, Overhead Variances – Manufacturing Overhead Variances, Variable Overhead Variances, Combined-overhead variance-Three Variance Approach and Two-variance Approach.

Module 7

(5 Hours)

Responsibility Accounting - Introduction, Meaning, and Objectives, Types of Responsibility centers.

Module 8

(5 Hours)

Inflation accounting - Meaning, objective, nature and importance and methods, Human Resource Accounting, Meaning, Objective, Nature and importance, methods-Human resource cost accounting(HRCA), Human resources value accounting(HRVA)

BOOKS FOR REFERENCE:

- 1.Khan & Jain, Management Accounting, Mc. Graw Hill
- 2.I.M Pandey, Management Accounting, Vikas Publishers
- 3.Homgren, Sundem, Stratton, Introduction to Management Accounting, Pearson Education
- 4.S.N. Maheshwari, Management Accounting, Sulthan Chand & Sons
- 5.M.N. Arora, Management Accounting, Himalaya Publishers.

MFM – 232 CORPORATE AND SECURITIES LAWS

Objective:

55 hrs

To develop an understanding of the regulations of registered companies and provide through understanding of the various provisions of the Indian Company Law. To provide conceptual understanding and operational knowledge of securities law and the regulatory framework concerning financial markets in India.

Module 1. Introductory:

3 Hrs

The company as a business medium-nature and form of business enterprise; types of business enterprises. Nature and functions of companies; concept of corporate personality and nature of corporate company as a person, resident, citizen.

Module 2. Incorporation and its consequences:

7 Hrs

Formation of a company and types of companies-Memorandum of Association, Articles of Association, Additional documents required for incorporation, certificate of incorporation; commencement of business. Government and Foreign companies-Alteration of Memorandum and Articles and limitations on power of alteration.

Promoters-meaning and importance; position, duties and liabilities.

Corporate transactions-Pre-incorporation contracts; doctrine of ultra-vires and common seal. Protection of persons dealing with a company –the doctrine of constructive notice; doctrine of indoor management and lifting of corporate veil.

Module 3. Financial structure and Membership:

8 Hrs

The concept of capital and financing of companies –sources of capital; classes and types of shares; equity with preferential rights; issue of shares at par, premium and discount; bonus issues, rights issues, issue of sweat equity shares; employee stock option plan scheme; private placement.

Share capital alteration- alteration of share capital; reduction of paid up capital; forfeiture and surrender.

Prospectus-definition, abridged prospectus, statement in lieu of prospectus; shelf prospects; information memorandum; contents, registration, misrepresentations and penalties therefore.

Debt Capital- debentures, debenture stock, bonds, new developments in corporate debt financing, debenture trust and trustees; conversion of and redemption of debentures; creation of charges-fixed, floating and registration hereof.

Allotment and certificates- contracts to subscribe for shares, debentures and other securities; letters of allotment and renunciation; calls and forfeitures; share certificate and share warrants.

Membership: Modes of acquiring membership including through depository mode; restriction on membership; rights and privileges of members.

Transfer and transmission of securities in physical and depository modes.

Module 4. Management and control of companies:

9 Hrs

Directors-appointment/re-appointment of directors, qualifications, disqualifications, remuneration, vacation of office, retirement, resignation and removal; loans to directors; their powers and duties; role of directors.

Managing and whole-time directors, manager, company secretary-appointment, reappointment, powers and duties. Meetings of directors and committees-frequency, convening and proceedings of board/Committee meetings , minutes and evidence.

General meetings-kinds of meetings and resolutions; law, practice and procedure relating to convening and proceedings at general and other meetings; recording and signing of minutes; role of chairman; teleconferencing; postal ballot.

Distribution of powers of a company-division of powers between Board and general meetings; acts by directors in excess of authority; monitoring and management.

Module 5. Deposits, Investments and loans

2 Hrs

Invitation, acceptance, renewal, repayment, default and remedies. Law relating to making investments in and granting loans to other corporate bodies and giving guarantees and providing security

Module 6. Corporate Accountability:

4 Hrs

Accounts and Audit- statutory books to be kept; form and content of balance sheet and profit and loss account; disclosure of accounts of subsidiary companies ; directors report, auditors report , chairman's speech, director's replies to qualifications in auditor's report, directors responsibility statement, corporate governance statement, compliance certificate.

Appointment, resignation and removal of auditors; rights, duties and liabilities of auditors; powers of the Central Government to direct special audit; cost audit.

Profit and dividends- declaration and payment of dividend; transfer of unclaimed dividend to investor Education and protection fund.

Module 7. Majority powers and minority rights:

3Hrs

Law relating to majority powers and minority rights. Shareholder remedies-actions by shareholders, statutory remedies, personal actions, prevention of oppression and mis-management.

Module 8. Securities Contract (Regulation) Act, 1956

4 HRS

Preliminary-Recognized Stock Exchanges- Contracts and Options in Securities-Listings Of Securities- Penalties & Procedures.

Module 9. SEBI:

15 HRS

The Role, powers and functions- SEBI Guidelines Code of conduct for Capital Market intermediaries, Mutual Fund , Venture Capitalists, Merchant Bankers

Books:

1. Dr Avatar Singh-Company Law
2. Dr Ramaiah- A Guide to Company Act
3. Sen S C: -New Frontiers of Company Law .
4. Dr. Bharati Pathak Indian Financial System.
5. Dr. K.R. Chanratre –Compendium on SEBI, Capital Issues and Listing

MFM: 233 MANAGEMENT OF FINANCIAL SERVICES

The objective of this course is to give the students proper knowledge and understanding about the management of various financial services available in the Financial system in the era of Globalization.

Total Hours:55

Module 1

(4 hours)

Financial Services – Meaning and classification, Causes of Financial Innovations. Innovative Financial Instruments.

Module 2

(7 hours)

Merchant Banking.: Meaning and definition., Merchant banks and commercial banks Services of Merchant banks., SEBI guidelines on merchant banks., Progress and scope of merchant banking in India.

Module 3:

(6 hours)

Capital market based services– stock broker, depository, Registrar and transfer agent, Introduction to Mutual funds

Module 4

(6 hours)

Credit rating

Meaning and definition .Benefits of credit rating .Credit rating agencies in India .Procedure of rating .SEBI guidelines on rating.

Module 5

(6 hours)

Venture Capital.: Meaning and features of venture capital., Importance of venture capital. Venture capital financing in India, Stages of finance. SEBI guidelines on venture capital.

Module 6

(8 hours)

Leasing and hire purchase.: Concept of Leasing., Types of Lease., Difference between financial and operating lease., Advantages of lease finance., Disadvantages of lease. Problems of leasing., Legal aspects of leasing and lease agreement.

Module 7

(8hours)

Discounting and factoring. meaning and definition. Method of operation.

Types of factoring. Difference between discounting and factoring.

Pricing of factoring service .Benefits of factoring. Factoring in India.

International factoring.

Module 8:

Securitisation – Meaning, Methods, process, advantages, Indian experience. Banking and Insurance services. Innovative banking services, Insurance sector in India IRDA

(10hours)

Books for reference:

1. Management of financial services By M.Y.KHAN

MFM 234-RESEARCH METHODS AND DATA ANALYSIS

Total Hours: 60

To understand the various components of research and to provide a cross discipline perspective on research methodology. The research methodology component provides a basic and general understanding of the need for systematic research and the use of research techniques.

MODULE 1 (6 hours)

RESEARCH METHODOLOGY: AN INTRODUCTION

Meaning of research, objectives of research, significance of research, research and scientific method, importance of knowing how research is done, Types and methods of research, Research process, criteria of good research, Limitations of social research, Ethics in social science research.

MODULE 2 (12 hours)

RESEARCH DESIGN

Meaning of a research problem, Selecting the problem, necessity of defining the problem, Technique involved in defining a problem, An illustration, Conclusion .Meaning of Research design, need for research design, basic features of a good design, important concepts relating to research design, different research designs – Exploratory research design and conclusive research design: Descriptive research and causal research, Basic principles of Experimental Designs.

MODULE 3 (10 hours)

SAMPLING

Introduction, Sampling techniques or methods, Probability sampling techniques: Simple random sampling, Systematic sampling, stratified sampling, cluster sampling, Non probability sampling: Convenience sampling, Judgmental sampling, quota sampling, snowball sampling, Sampling design and choice of sampling techniques, Sample size, Sampling and Non-Sampling errors.

MODULE 4 (8 hrs)

Measurement and Scaling Techniques

Measurement in Research, measurement scales, sources of error in measurement, tests of good measurement, scaling, meaning, important scaling techniques, and scale construction techniques

MODULE 5 (6 hours)

METHODS OF DATA COLLECTION

Collection of Primary data, Collection of data through questionnaire, Collection of data through schedules, difference between questionnaires and schedules, Guidelines for constructing questionnaire/schedule, some other methods of data collection. Collection of secondary data, Selection of appropriate method of data collection

MODULE 6 (14hours)

Hypothesis Testing

Introduction, Concepts in Hypothesis Testing, Hypothesis Tests for a Population Mean, Hypothesis Tests for Other Parameters, Tests for Normality, Chi-Square Test for Independence, One-Way ANOVA, Two-Way ANOVA, Bi variety and Multivariate analysis. Use of SPSS

MODULE 7

REPORT WRITING

(4 hours)

Significance of report writing, Different steps in Writing report, Layout of a research report, Types of Reports, Mechanics of writing a research report, precautions for writing research reports,

RECOMMENDED BOOK

Business Research Methods, Donald Cooper and Pamela Schindler, TMH

Suggested Readings

1. Research Methodology, Panneerselvam, PHI
2. Research Methodology, C R Kothari, New Age International
Stasch, A.I.T.B.S Publishers and Distributors.
3. Marketing Research, Harper W Boyd, Ralph Westfall and Stanley F Stasch

MFM 235 Business Information system

Objective - The contents of the subject aim at developing student's understanding on information systems and how it works in business decision-making. This subject should also enable students to know the various areas of BIS and it's application in the industry.

Total Hours:55

MODULE:1

(5 Hours)

What an information system, Characteristics of information, Classification, What is a system, Computer based information systems, Technical operation of a CBIS, Business data processing, Data processing cycle, A business perspective of information systems

MODULE 2:

(7 Hours)

MANAGEMENT INFORMATION SYSTEMS: What are management information systems, Features of MIS, Importance of management information systems, Pyramid structure of MIS, MIS versus data processing, Structure of MIS, Subsystems of MIS, The Conceptual structure of MIS, Security and international issues of MIS, MIS issues of a multinational organization?

MODULE 3:

(7 Hours)

THE CONCEPT OF DATA PROCESSING: Database, Major issues in data management, File management, File organization, File based systems problems, Objectives of DBMS, Database concepts, Database models, Difference between models, Data ware Housing, Data Mining.

MODULE 4:

(5 Hours)

MIS AND NETWORKS: Batch Processing, Online Processing (Quick Response Systems), Components of a Telecommunication Systems, Communication Networks, Network Topologies, Implementation of LAN – Transmission Media, Wireless LAN (WLAN), Internet, World Wide Web (WWW), E-Mail, Intranet.

MODULE 5:

(6 Hours)

ANALYSIS AND DESIGN OF BIS: Software Engineering, Systems Analysis, System Design, Systems Analysis and Design, Entity Relationship Diagram, Systems Development life Cycle, Project Management.

MODULE 6:**(5 Hours)**

BIS DEVELOPMENT & IMPLEMENTATION: BIS Planning, Project Preparation, Needs Analysis, BIS Design, Selection, BIS Implementation, Management Challenges.

MODULE 7:**(4 Hours)**

HUMAN RESOURCES INFORMATION SYSTEMS: Types of personnel administration data systems, Employee Profile system, Employment control reporting system.

MODULE 8:**(3 Hours)**

FINANCIAL / OPERATIONS DATA SYSTEMS: Payroll data system, Accounts payable systems, Accounts receivable system, Materials requirement planning (MRP), Manufacturing Resource Planning (MRP II).

MODULE 9:**(6 Hours)**

Decision support systems: Concept & philosophy. DSS: Deterministic systems, Artificial Intelligence system, Knowledge Based Expert System, Role of DSS in BIS

MODULE 10:**7 Hours**

Business process reengineering(BPR): Introduction, Business Process, Process model of the organisation, value stream model of the organisation, what delays the business process? Relevance of Information Technology. BIS and BPR.

Recommended books-

1. Management Information system- WS Jawadekar.
2. MIS- C.S.V Murthy.
3. MIS – Thomas Tharakan.
4. Information system for Business- Gordon.

MFM-236- CORPORATE RESTRUCTURING

Objectives: To provide an in-depth understanding of all aspects of law and practical issues relating to corporate restructuring and insolvency. To enable the students to develop corporate restructuring solutions under different industrial conditions. To familiarize the students with corporate restructuring processes taking place in the Indian industries

Total Hours:55

Module 1. Introduction (6 Hours)

Meaning of corporate restructuring, need, scope and modes of restructuring, historical background, global scenario, national scenario.

Strategies : Planning, formulation and execution of various corporate restructuring strategies - mergers, acquisitions, takeovers, disinvestments and strategic alliances, demurrers and hiving off.

Module 2. Mergers and Amalgamations (5 Hours)

Meaning and concept; legal, procedural, economic, accounting, taxation and financial aspects of mergers and amalgamations including stamp duty and allied matters; interest of small investors; merger aspects under competition law; jurisdiction of courts; filing of various forms; Amalgamation of banking companies and procedure related to Government companies; Cross border mergers.

Module 3. Takeovers (8 Hours)

Meaning and concept; types of takeovers; legal aspects - SEBI takeover regulations; procedural, economic, financial, accounting and taxation aspects; stamp duty and allied matters; payment of consideration; bail out takeovers and takeover of sick units; takeover defenses; cross border takeovers.

Funding of Mergers and Takeovers

Financial alternatives; merits and demerits; funding through various types of financial instruments including equity and preference shares, options and securities with differential rights, swaps, stock options; ECBs, funding through financial institutions and banks; rehabilitation finance; management buyouts/ leveraged buyouts.

Module 4. Corporate Demergers and Reverse Mergers (8 Hours)

Concept of demerger; modes of demerger - by agreement, under scheme of arrangement; demerger and voluntary winding up; legal and procedural aspects; tax aspects and reliefs; reverse mergers - procedural aspects and tax implications.

Post Merger Re-organisation

Factors in post merger reorganization: integration of businesses and operations, financial accounting, taxation, post merger valuation, human and cultural aspects; assessing accomplishment i of post merger objectives; measuring post merger efficiency.

Module 5. Valuation of Shares and Business (6 Hours)

Introduction; need and purpose; factors influencing valuation; methods of valuation of shares; corporate and business valuation.

Module 6. Financial Restructuring (6 Hours)

Reduction of capital; reorganisation of share capital *Buy-back of shares* - concept and necessity; procedure for buy-back of shares by listed and unlisted companies, Legal Documentation, Revival, Rehabilitation and Restructuring of Sick Companies

Sick companies and their revival with special reference to the law and procedure relating to sick companies.

Module 7. Securitisation and Debt Recovery (8 Hours)

a. Securitisation Act :

Overview of the Securitisation and Reconstruction of Financial ! Assets and Enforcement of Security Interest Act, 2002; process; participants; Special Purpose Vehide (SPV), Asset Reconstruction Companies (ARCs), Qualified Institutional Buyers (QIB).

b. Debt Recovery Act:

Overview of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993; Tribunal, Procedure; compromises and arrangements with banks and creditors.

Module 8. Winding up (8 Hours)

Concept; modes of winding up; administrative machinery for winding up. Winding up process and procedure; managing stakeholders and Parties in liquidation; conducting meetings of shareholders editors etc.; dealing with contracts; managing estate touring responsibilities to professionals/service providers such as valuers, security agencies, etc; best practices in performing liabilities; Role of liquidators and insolvency practitioners. Consequences of winding up; winding up of unregistered companies; dissolution, Introduction to Cross Border Insolvency

Books:

- 1.L.M. Sharma, Amalgamation, Mergers, Takeovers, Acquisitions-Principles, Practices & regulatory Framework, Company Law Journal, New Delhi
- 2.J.C.Verma, Corporate mergers, Amalgamations and Takeovers;Bharat Publishing house, New Delhi
- 3.N.L.Bhatia,Takeover Games & SEBI takeover regulations; taxman allied services pvt.Ltd,New Delhi
- 4.AIMA publications,Corporate Restructuring, Strategies and implications, Excel Book
- 5.ICSI publication, Handbook on Mergers, Amalgamations and takeovers-Law and practice

