

KLE Society's
Lingaraj College, Belagavi
(Autonomous)

Department of Commerce

M.com : III Semester

Compulsory Paper 3.5: International Financial Management

Teaching hours per week – 04 :	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. Manage various aspects of foreign exchange market and different aspects of international financial management.
2. Understand the intricacies of financial management in International environment.
3. Recognize and calculate forward exchange rates.
4. Analyze types of risks particular association with international transaction
5. Evaluate risks and returns in the content of foreign direct investments.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Multinational Financial Management: Meaning and objectives, Global financial manager: functions, Global financial management – scope and relationship with domestic financial management-International Financial Flows-Risks and Rewards in IFM- BOP (Theory only)	08 Hours
Unit II	Foreign Exchange Market: Multinational/Transnational Corporations – Foreign exchange market – Dealers in Foreign Exchange market, foreign exchange transactions, Sale and Purchase transactions – spot and forward transactions, Equilibrium in foreign exchange market. Hedging, speculation and arbitrage operations. Illustrations of Arbitrage and Hedging Operations.	12 Hours
Unit III	Financing Foreign Operations: Corporate Sources and Uses of Funds- National Capital Markets, Euro Markets- Special Financial Vehicles-Interest Rate and Currency Swaps- Debt- Equity- Swaps- Illustrations on SWAP; Internal Leasing- Designing Global Financing Strategy.	10 Hours
Unit IV	International Capital Budgeting & Working Capital Management Basics of Capital Budgeting- Issues- Foreign Project Appraisal.	10 Hours

	Multinational Working Capital Management- Short-Term Financing- Objectives and Options, Borrowing Strategy and Exchange Risk Management- Current Assets Management Strategy.	
Unit V	Foreign Exchange Risk Management: Foreign Exchange Risk and Exposure- Types of Foreign Exchange Risks; Risk Exposure: Transaction- Translation and Economic Exposure- Internal and External Techniques of Foreign Exchange Risk Management	10 Hours

TEXT BOOKS:

1. Buckley Adrian, Multinational Finance, PHI, New Delhi.
2. Apte P.G., International Financial Management, TMH, New Delhi.

REFERENCE BOOKS:

1. Buckley Adrian, Multinational Finance, PHI, New Delhi.
2. Alan. C. Shapiro, Multinational Financial Management, PHI, New Delhi.
3. C.Jeevanandan, Foreign Exchange and Risk Management, Sultan Chand and Sons, New Delhi.
4. Chatterjee B.K., Principles of Foreign Exchange, Himalaya, Bombay.

**KLE Society's
LINGARAJ COLLEGE, BELAGAVI
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Master of Commerce: Semester III

Compulsory Paper: 3.2: Financial Analysis and Risk

Teaching hours per week – 4	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. students will be able understand the Financial Statements and Financial Statements
2. Techniques.
3. To understand the concept and apply the financial concepts and analyses the financial
4. statement using various ratios.
5. To demonstrate knowledge of EPS and Performance Metrics.
6. To know the knowledge of preparing Fund flow statement and Cash Flow Statement.
7. To understand the distress Analysis.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Introduction Nature and Components of Financial Statements. Objectives of Financial Statements. Traditional and modern approaches to Financial Statement Analysis. Parties interested in Financial Statements. Techniques of Financial Statement Analysis: Comparative Analysis, Common Size Analysis, Index Number, Trend Analysis.	10 Hours
Unit II	Ratio Analysis Meaning, objectives and terminology of ratio analysis. Classification of accounting ratios: Profitability analysis, Activity analysis, Credit (risk) analysis. Computation of various ratios under each category. Decomposition of ROI and ROE (Du Pont Analysis). Financial Leverage and Operating Leverage. Interpretation of Ratios .Benchmark ratios, Trend Analysis and Cross-Section Analysis. Determining comparable companies, Adjustments to reported figures.	10 Hours
Unit III	EPS and Performance Metrics Presentation and calculation of EPS. Measures of basic EPS. Measurement of diluted EPS. Performance Metrics: ROIC and growth rate, Economic Profit, Total Return to Shareholders, Market Value Added, Price-Earnings Ratio.	10 Hours
Unit IV	Fund Flow and Cash Flow Analysis Sources and applications of funds. Funds from operations. Analysis of Funds Flow Statement. Presentation of cash flow statement – direct and indirect methods. Classification of activities – operating,	10 Hours

	investing and financing. Analysis of cash flow statements.	
Unit V	Distress Analysis Financial distress- meaning .Bankruptcy prediction models. Statistical models; Univariate models and multivariate models of distress prediction. Discriminant Analysis. Altman's Z Score Model. Zeta Model .Limitations of financial statements.	10 Hours

TEXT BOOKS:

1. Bhattacharya, Asish K; 'Introduction to Financial Statement Analysis', First Edition, Elsevier, New Delhi, 2007.
2. Penman, H Stephen; 'Financial Statement Analysis and Security Valuation', Third Edition, McGraw Hill International, New Delhi, 2008.

REFERENCE BOOKS:

1. Bhattacharya, Asish K; 'Introduction to Financial Statement Analysis', First Edition, Elsevier, New Delhi, 2007.
2. Penman, H Stephen; 'Financial Statement Analysis and Security Valuation', Third Edition, McGraw Hill International, New Delhi, 2008.
3. White, Gerald I, Sondhi, Ashwinpaul C and Fried, Dov; 'The Analysis and Use of Financial Statements', Third Edition, Wiley India, New Delhi, 2010.

KLE Society's
LINGARAJ COLLEGE, BELAGAVI
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Master of Commerce: Semester III

Compulsory Paper: 3.3: Innovations of Accounting

Teaching hours per week – 4	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. Able to restate the financial statements considering the factors of inflation accounting.
2. Able to explain the mechanism of Human Resource Accounting.
3. Able to explain the social responsibilities in terms of financial approaches.
4. Understand the accounting procedure for intangible assets.
5. Able to resolved current issues in Accounting.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Inflation Accounting: Limitations of Historical Cost Accounting; meaning, objectives and methods of accounting of inflation- current purchasing power and current cost accounting methods; guidance note of ICAI on price level accounting.	08 Hours
Unit II	Human Resource Accounting: Need and significance of HRA, Meaning and issues involved; methods for valuation of human resources; HRA practices in India.	08 Hours
Unit III	Social and Environmental Accounting: Meaning, objectives and significance of social accounting; social cost and benefit analysis; social accounting practices of Indian companies; environmental accounting- meaning, objectives, significance and difficulties involved in environmental accounting; methods of accounting of environmental effects; shadow pricing; environmental management accounting.	12 Hours
Unit IV	Accounting for Intangibles: Meaning and significance of intangibles; difficulties involved in valuation by IFRS; Indian GAAPs – Meaning, objectives and importance of brand valuation and accounting; methods of brand valuation and accounting; brand equity methods, organizational capital-meaning and importance of organizational capital; measuring organizational capital; intellectual capital v/s organizational capital.	12 Hours
Unit V	Creative Accounting: Meaning and definitions of creative accounting motivations, techniques and effects of creative accounting, ethical issues involved in creative accounting; detecting and control of creative accounting; forensic	10 Hours

	accounting meaning, objectives and role of forensic accounting in control of creative accounting.	
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TEXT BOOKS:

1. Jain and Narang, Advanced Accountancy, Vol.II, Kalyani, New Delhi
2. S.N.Maheshwari, Advanced Accountancy, Vol. II, Vikas, New Delhi.

REFERENCE BOOKS:

1. Gupta and Radhaswami, Advanced Accountancy, Vol.II, Sultan Chand. New Delhi.
2. P.V.Ratnam, Advanced Accountancy, Konark, New Delhi.
3. Rishikesh Chakraborty, Advanced Accounts, Oxford, New Delhi.
4. S.K.Paul, Advanced Accounts, World Press, Calcutta

**KLE Society's
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Master of Commerce: Semester III**

Elective Paper: 3.4: Corporate Accounting

Teaching hours per week – 4	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. To understand knowledge of new trends incorporate accounting value of Goodwill and shares under various methods.
2. To understand the account for Amalgamations.
3. To prepare the final accounts of companies.
4. To summarize the consolidated financial statement and balance sheet for holding companies.
5. To know the Liquidators final statement of accounts.
6. To prepare the final accounts of companies.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Company Final Accounts Provisions Relating to Maintenance of Accounts- Divisible Profits- Managerial Remuneration- Transfer of Profits to Reserves- Vertical and Horizontal Forms of Financial Statements.	16 Hours
Unit II	Valuation of Goodwill and Shares Valuation of Goodwill: Concept – Need- Methods of Valuation; Share Valuation : Need - Methods of Valuation.	08 Hours
Unit III	Accounting for amalgamation Amalgamation: Introduction – Meaning - A S 14; Classification Pooling of Interests-Method and Purchase Method- Intercompany Owings- Unrealized Profits- Intercompany Investments.	10 Hours
Unit IV	Holding and Subsidiary Companies: Accounting Treatment and disclosures- Consolidation of Accounts – Balance Sheet and Profit and Loss Account- Single Subsidiary- Chain Holdings and Cross Holdings.	08 Hours
Unit V	Liquidation accounts: Winding Up vs. Liquidation- Types of Liquidation- Statement of Affairs- Deficiency Accounts, Liquidators Final Statement of Accounts, Preparation of List-B Contributories.	10 Hours

TEXT BOOKS:

1. Jain and Narang, Advanced Accountancy, Vol.II, Kalyani, New Delhi
2. S.N.Maheshwari, Advanced Accountancy, Vol. II, Vikas, New Delhi.

REFERENCE BOOKS:

1. Gupta and Radhaswami, Advanced Accountancy, Vol.II, Sultan Chand. New Delhi.
2. P.V.Ratnam, Advanced Accountancy, Konark, New Delhi.
3. Rishikesh Chakraborty, Advanced Accounts, Oxford, New Delhi.
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Master of Commerce: Semester III

Elective Paper: 3.5: Corporate Tax Planning-I

Teaching hours per week – 4	Maximum Marks	:	100 Marks
	Semester End Examination	:	70 Marks
	Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. Identify the relevant provisions of the Income Tax Act as it applies to the taxation of corporations.
2. Identify tax planning opportunities and challenges for corporations.
3. Apply the relevant sections of the Income Tax Act to compute taxable income and tax payable for a corporation.
4. Describe the issues and apply the appropriate provisions related to the taxation of corporate investment income.
5. Identify tax planning and describe the relevant section of Income Tax Act to avail tax benefits for start ups in India.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Tax Planning Meaning and objectives, scope of corporate tax planning, tax planning, tax avoidance and tax evasion, types of companies, residential status of a company and tax incidence, areas for tax planning, tax management, assessment of income, filing of returns.	08 Hours
Unit II	Tax Planning and Employees Remuneration Formulation of an ideal wage policy or salary package for employees, provision for various perquisites and facilities, tax incidence of a wage policy in the hands of employees, deduction of tax at source.	08 Hours
Unit III	III Taxation of companies: Computation of income under the heads, of income applicable to corporate assesses, set off and carry forward of losses, deductions available in respect of gross total income, computation of taxable income, tax liability of a company.	12 Hours
Unit IV	Tax planning and corporate financial decisions: Tax planning vis-à-vis corporate capital structure, investment decision, dividend decision, issue of bonus share, tax planning and merger or demerger decisions, tax planning with reference to other managerial decisions, purchase of assets out of owned funds or out of borrowed funds, own or lease, purchase by installments or hire, sale of assets used for scientific research work, make or buy, shutdown or	12 Hours

	continue.	
Unit V	Tax Planning for Start Ups in India. Tax Planning for Start up in India, Eligibility for Startup India, Tax Exemptions allowed to Eligible startups under Startup India Program. Tax Benefits for Start Ups in India. Tax Planning for Investors.	10 Hours

TEXT BOOKS:

1. Singhanian V.K., Direct Taxes – Laws and Practices, Taxman Publications, New Delhi.
2. Singhanian, et al., Direct Taxes – Planning and Management, Taxman Publications, New Delhi.

REFERENCE BOOKS:

1. Dinkar Pagare, Tax Laws, Sultan Chand, New Delhi.
2. Lakhotia, Corporate Tax Planning, Lakhotia, New Delhi.
3. Lall, B.B., Direct Taxes, Konark, New Delhi.
4. Mehrotra and Goyakm Direct Taxes – Tax Planning and Management, Sahitya Bhavan, Agra.

KLE Society's
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Master of Commerce: Semester III
Open Elective Course (Meant for other department students)

Personal Finance

Teaching hours per week – 4	:	Maximum Marks	:	100 Marks
		Semester End Examination	:	70 Marks
		Internal Assessment	:	30 Marks

Course Outcome:

At the end of this course students will be able to:

1. To recognize opportunities inherent with good personal finance p[planning.
2. To examine the risk associated with poor personal financial [planning.
3. To demonstrate the use of economic information to make informed personal financial decision.
4. Compute interest changes based on various types of borrowing situation.
5. To identify the personal risk is managed with the purchase of various types of insurance.
6. To examine fundamentals of investing tools.

Syllabus

UNITS	Syllabus	HOURS
Unit I	Introduction: Savings – Investment- advances for investment-selection for advances- mix for portfolio of such selected advances – criterion to be considered for investment – type of securities – income tax and personal finance of an individual	10 Hours
Unit II	Investment in Government Securities: PPF- NSC – NSS – Infra structural- Bonds – regulations - Governance	10 Hours
Unit III	Investment in Post Office and Bank Deposits All types of Post office related Deposits and all types of Bank Deposits including deposits in corporate sector – regulations - governance	10 Hours
Unit IV	Investment in Traditional Products Gold – Real Estate – Mutual fund – Return – Risk associated regulation – criteria to be considered.	10 Hours
Unit V	Investment in Equity Shares Meaning – Criteria – Risk and Return associated – How to select share –	10 Hours

	formation of portfolio.	
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TEXT BOOKS:

1. Personal Finance, Kapoor, Jack. , Diabey Les. R and Hughes Robert , Tata Macgrow – Hill Publishing Co. Pvt Ltd, New Delhi
2. Personal Fomance : users perspective – Joehnk Michael, D and Gitman Lawrence J – Cengage Learning India Pvt. Ltd., New Delhi

REFERENCE BOOKS:

1. Personal Finance Management – Malhotra, Anup – Global Vision Publishing House, New Delhi – 2009
2. Contemparary Personal Finance – Boone Louis and Kurtz David . L., R. A. New Delhiom House Business Division, New Delhi
3. Guide to Personal Finance – Stillman Richard J, Tata Macgrow – Hill Publishing Co. Pvt Ltd, New Delhi
4. Theory and Problem of Personal Finance and Consumer Economic, Rosin Ber, Robert R. and Naplies, Ralph. V Tata Macgrow – Hill Publishing Co. Pvt Ltd, New Delhi