

Maharshi Dayanand University Rohtak



Ordinances, Syllabus and Courses of Reading for M.F.C. III&IV Semester Examination

Session—1998-99

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ORDINANCE- MASTER OF FINANCE AND CONTROL (MFC) (SEMESTER SYSTEM)

1. The duration of the course leading to the degree of Master of Finance and Control shall be of two academic years. Each year shall be divided into two semesters. Actual teaching in each semester will run for a minimum of 90 days. This will exclude the period spent on admissions, examinations and preparation thereof. The examination for the First and Third semester shall ordinarily be held in the month of December and for Second and Fourth semesters in May/June, on such dates as may be fixed by the Vice-Chancellor.

Supplementary Examination will be held for re-appear and improvement of division candidates as under:-

Semester	When held
(a) Third Semester	Alongwith or after the 4th Semester examinations in specified centre(s) only.
(b) Fourth Semester	Alongwith or after the 3rd Semester examinations in specified centre(s) only.

The dates of examinations fixed under this Clause shall be notified by the Controller of Examinations to the Head of the Department of Commerce.

2. The Head of the Department shall forward to the Controller of Examinations, atleast five weeks before the commencement of the examination in each semester, a list of students who have satisfied the requirements of rules and are qualified to appear in the examination.
3. A candidate's admission form and fee may be accepted after the last date on payment of late fee of Rs.105/- upto the date notified by the University.
4. The minimum qualifications for admission to the First Semester of the course shall be as follows:-

(a) Bachelor's Degree/Postgraduate Degree in any discipline from this University or an equivalent degree recognised by the Maharshi Dayanand University, Rohtak with atleast 50% marks. Provided that the duration of Bachelor's Degree course is of atleast three years of 10 + 2 + 3 system.

OR

(b) Pass certificate at Final Examination conducted by the Institute of Chartered Accountants of India or England/Institute of Cost and Works Accountants of India or England.

5. Every candidate shall be examined in the subject as laid down in the Scheme of Examination and Syllabus prescribed by the Academic Council from time to time.
- 5.1 Thirty percent(30%) marks in each paper excluding Project Report, Summer Training Report and Viva-Voce shall be reserved for internal assessment. Evaluation procedure for award of internal assessment in each paper shall be laid down by the Departmental Committee.
- 5.2 The Head of the Department shall forward the internal assessment marks on the basis of periodical class test, written assignments, case discussions etc. as laid down by the Departmental Committee to Controller of Examinations atleast two weeks before the commencement of the Semester Examinations.
- 5.3 The Head of the Department will preserve the records on the basis of which the internal assessment awards have been prepared for inspection, if needed by the University upto six months from the date of declaration of the Semester Examinations results.
6. The question paper will be set jointly by the internal and external paper-setters. The internal paper-setter shall set an alternate question for every question to be actually included in the question paper. The external paper-setter shall finalize the question paper selecting either of the questions and send the question paper alongwith the draft question paper prepared by the internal paper-setter to the University. He

may modify the form of any question but ordinarily without changing the substance. The answer books shall be examined only by the external paper-setter.

- 6.1 The Summer Training Report shall be evaluated by the external examiner. Each candidate will be required to submit the Summer Training Report within four weeks of completion of training.
- 6.2 The Project Report will be evaluated both by the external and internal examiners separately and average of awards will be computed for purposes of final award. The project will be completed under the overall guidance and supervision of a Faculty member of the Department/or any other Faculty associated with the Department. The Project will be initiated in the Third Semester and the Report submitted atleast one month before the commencement of the examinations for the Fourth Semester.
- 6.3 The Viva-Voce shall be conducted at the end of each semester by the external examiner alongwith the internal examiner.
7. The First/Second/Third/Fourth Semester examinations shall be open to a regular student who:-
 - (a) has passed the requisite qualifying examination as laid down in Clause-4, if he is a candidate for the First Semester examination, or has passed the preceding semester examination if he is a candidate for the Second/Third Semester examination. This is, however, subject to Clause-8 below.
 - (b) has been on the rolls of the Department during one semester, preceding examination.
 - (c) has attended not less than 75% of lectures in each paper. (This requirement shall be met separately for each course of study. The lectures will be counted upto the last day when the classes break up for the preparatory holidays viz. one week before the commencement of the examination). Deficiency in lectures, if any, will be counted as per University rules.

Explanation: For the purpose of counting of the last date when the classes shall break up for the preparatory holidays, first day of the commencement of any semester examination will apply to all semester examinations and all semester classes will have the preparatory holidays from the date i.e. one week before the date on which the first examination of any semester commences.

(d) has obtained pass marks in the internal assessment of the paper(s) of the relevant semester for which he is a candidate. Provided that a candidate who has not attended requisite percentage of lectures or has not obtained pass marks in the internal assessment for any paper(s) shall not be eligible to take the semester examinations unless he repeats the course in the paper(s) concerned and obtains the minimum pass marks in the internal assessment.

8. A candidate who has completed the prescribed course of instruction in the Department for any semester examination but does not appear in it or having appeared fails, may be allowed on the recommendations of the Head of the Department to appear/re-appear in the semester examination/paper(s), as the case may be as an ex-student, without attending a fresh course of instruction only twice as specified in clause-1 above. While re-appearing in the examination, the candidate shall be exempted from re-appearing in the paper(s), Project Report, Summer Training Report, Viva-voce in which he has obtained atleast 50% marks including the marks for internal assessment, where prescribed. The internal assessment award of a candidate who fails in any semester examination shall be carried forward to the next examination.

A candidate will be allowed to join Third Semester class only if he clears the minimum 50% of first and Second Semester Examinations taken together. However, such candidate may pursue his studies for the next higher semester(s) and appear in the examination(s) for the same alongwith the examination for the lower semester(s). If a candidate fails to pass in any semester examination even in the second chance as mentioned above, he will have to repeat the course as a regular student in the Department whenever the relevant course(s) is/are offered.

A candidate must pass all the four semester examinations within four years of admission to the First Semester of the Master of Finance and Control course failing which he will be deemed to be unfit for the Master of Finance and Control programme.

9. The medium of instruction and examination shall be English.
10. The minimum percentage of marks to pass the examination in each semester shall be as follows:-
 - i) 40% in each written paper and internal assessment separately;
 - ii) 40% in each of the Project Report, Summer Training Report and Viva-Voce separately; and
 - iii) 50% in the total of each semester examination.
11. The amount of examination fee to be paid by a candidate for each semester shall be as under:-

Regular students	Rs.100/-
Ex-students	Rs.110/-
12. As soon as possible, after the termination of the examination, the Controller of Examinations shall publish a list of candidates who have passed the semester examination.
13. (a) The subject of Project Report will be approved by the Head of the Department.
 - (b) The candidate shall be required to submit three copies of his Project Report. The last date of receipt of Project Report in the office of the Controller of Examinations shall be one month before the commencement of fourth semester examination. Provided that in exceptional cases the Vice-Chancellor shall have the power to extend, on the recommendations of the Head of the Department, the last date for receipt of Project Report upto three months.
 - (c) The marks obtained by the candidate in the Project Report shall be taken into account when he appears in any future examination as a "Re-appear" case under Clause-8 above.

14. Candidates shall be required to undergo eight weeks Practical Training normally in the summer vacations, after their second semester examination, in the Finance Division of a company in public or private sector, Finance company, banking company or any other financial, investment, mutual funds or financial research, stock exchange or any other financial institution approved by the Head of the Department. They shall be required to submit a comprehensive Summer Training Report within four weeks of completion of training.
15. Each successful candidate shall receive a copy of the Detailed Marks Card on having passed the Semester Examination.
16. The list of successful candidates of the Fourth Semester examination shall be arranged as under in two divisions on the basis of the aggregate marks obtained in the First, Second, Third and Fourth Semester Examinations taken together and the division obtained by the candidate will be stated in his degree.
 - a) Those who obtain 60% or more marks First Division
 - b) Those who obtain 50% or more marks Second Division but less than 60% marks
 - c) Candidates who pass all the four semester examination in the first attempt, obtaining atleast 70% marks shall be declared to have passed with 'Distinction'.
17. A successful candidate may publish original results of the Project Report, if permitted by the Head of the Department as a research paper in a journal of repute.
18. There will be no improvement facilities to Master of Finance and Control students. However, grace marks will be allowed as per University Rules.
19. Notwithstanding the integrated nature of this course, which is spread over more than one academic year, the Ordinance in force at the time a student joins the course shall hold good only for the examination held during or at the end of the academic year and nothing in this Ordinance shall be deemed to debar the University from amending the Ordinance and the amended Ordinance, if any, shall apply to all the students whether old or new.

**SCHEME OF EXAMINATION/COURSE STRUCTURE
MASTER OF FINANCE AND CONTROL (MFC)**

Session 1998-99

Semester-I

	External	Internal	Total Marks
MFC 1.1 General Management	70	30	100
MFC 1.2 Business Environment	70	30	100
MFC 1.3 Managerial Economics	70	30	100
MFC 1.4 Quantitative Techniques for Financial Decisions	70	30	100
MFC 1.5 Financial Accounting and Reporting	70	30	100
MFC 1.6 Computer Applications			
Part-A : Theory	50		
Part-B : Practical	50		100
MFC 1.7 Viva-voce (Covering the entire Syllabus of the 1st Semester)			50

Semester-II

MFC 2.1 Accounting for Management Control	70	30	100
MFC 2.2 Financial Management	70	30	100
MFC 2.3 Investment Analysis	70	30	100
MFC 2.4 Indian Financial System	70	30	100
MFC 2.5 Corporate Law	70	30	100
MFC 2.6 Advanced Techniques in Computer Applications			
Part-A : Theory	50		
Part-B : Practical	50		100
MFC 2.7 Summer Training Report*			100
MFC 2.8 Viva-voce (Covering the entire Syllabus of the 2nd Semester)			50

*After the second semester theory examinations, each student will be required to undergo Summer Training for eight weeks duration in a recognised stock

exchange, Investment and Finance Company, Merchant Bank, accounting and finance department of trading or manufacturing concern, banking/non-banking financial institution, or any other reputed concern providing investment and portfolio consultancy services and submit a report thereon to be known as Summer Training Report. It will be submitted within four weeks of Completion of such training.

Semester-III

	Extn.	Int.	Total Marks
MFC 3.1 Strategic Management	70	30	100
MFC 3.2 Income Tax Law	70	30	100
MFC 3.3 Portfolio Management	70	30	100
MFC 3.4 Project Finance and Management	70	30	100
MFC 3.5 Advanced Financial Management	70	30	100
MFC 3.6 International Finance	70	30	100
MFC 3.7 Viva-Voce (Covering the entire Syllabus of 3rd Semester)	—	—	50

Semester-IV

MFC 4.1 Corporate Tax Planning	70	30	100
MFC 4.2 Management of Financial Services	70	30	100
MFC 4.3 Stock Market Operations	70	30	100
MFC 4.4 Management of Foreign Exchange	70	30	100
MFC 4.5 Small Business Financial Management	70	30	100
MFC 4.6 Project Report	—	—	100
MFC 4.7 Viva-Voce (Covering the entire Syllabus of 4th Semester)	—	—	50

Semester-III

MFC 3.1 STRATEGIC MANAGEMENT

Max. Marks : 70.

Time : 3 Hours.

NOTE:

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in up to five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks. total weightage to this Section being thirty marks.

Course Contents :

Introduction to policy and strategy; Nature and functions of corporate strategy; Elements and process of Strategic management.

Strategy formulation : Mission, objectives and Goals; Environment Appraisal-Concept, components, Environment scanning; Organisational Appraisal- Organisational Capability factors, Methods and Techniques used for organisational appraisal¹
An overview of Strategic alternatives; Strategic choice-Process, Corporate portfolio analysis, SWOT Analysis.

Strategy Implementation : Issues in Strategy Implementation, Resource Allocation; Organisational Design and change, Organisational Systems; Integration of functional plans and policies;

Strategy Evaluation: An overview of Strategic evaluation & Control; Techniques of Strategic evaluation and Control.

Case Study Method; Formulation and analysis of case.

Suggested Readings :

1. Sharplin, Arthur; Strategic Management; Mc Graw Hill Series in Management; McGraw Hill Book Company, New York.
2. David, Fred R.; Strategic Management; Macmillan Publishing Company, New York.
3. Prasad, L. M. ; Business Policy and Strategy; Sultan Chand & Sons, New Delhi.
4. Thompson, Arthur; A., and Strickland, A.J.; Strategic Management- Concept & Cases; IRWIN, New York.
5. Kazmi, Azhar; Business Policy; Tata Mc Graw Hill, New Delhi.
6. Srivastava, R. M.; Corporate Strategy and Planning; Tata Mc Graw Hill, New Delhi.

MFC-3.2 INCOME TAX LAW

Max. Marks: 70.

Time: 3 Hours:

Note : The question paper shall consist of three sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question] in upto five lines (50 words). Each question will carry two marks, total weightage to the Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each ; essay type question in up to five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this section being thirty marks.

Course Contents:

Basic Concepts: Previous year, Assessment year, Person, Assessee, Agricultural income, Gross income, Tax Planning, Tax evasion and Tax avoidance, Exempted income, Residential Status and incidence of tax.

(5)

Heads of income: Salary, House property; Business or Profession, Capital gains and other sources, Clubbing of incomes, Set off and carry forward of losses.

Deductions out of gross total income, Assessment of individuals, Hindu undivided family, Firms, Association of persons, Procedure for filing of tax returns, Payment of advance tax.

Suggested Readings :

1. Income Tax Law & Practice by Dr. H.C. Mehrotra, Sahitya Bhawan, Agra.
2. Direct Taxes by V.K. Singhania - Taxmann publications, New Delhi.
3. Elements of Income Tax by B.B. Lal, Konark Publishers Pvt. Ltd. Delhi.
4. Income Tax Act & Rules (latest edition).

MFC-3.3 PORTFOLIO MANAGEMENT

Max. Marks : 70

Time : 3 Hours

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each Question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Introduction to portfolio management; An optimum portfolio selection problem; Markowitz portfolio theory; The Mean Variance Criterion (MVC) : nature of investment risk, MVC and portfolio selection, portfolio of two risky securities, a three security portfolio, the efficient frontier and tracing the efficient frontiers; Sharpe Index Model : Constructing optimum portfolio; Capital Asset Pricing Model (CAPM); Arbitrage pricing theory; Portfolio revision techniques; Performance evaluation: An over-view of international investing.

Suggested Readings :

1. Alexander, Gordon J. and Sharpe, William F., Fundamentals of Investments, Prentice Hall, Englewood Cliffs, N.J., 1989.
2. Elton, Edwin J. and Gruber, Martin J., Modern Portfolio Theory and Investment Analysis, John Wiley, New York, 1984.
3. Fischer, D.M. and Jorden, R.J., Security Analysis and Portfolio Management, Prentice Hall, New Delhi, 1983.
4. Francis Jack Clark, Investments ; Analysis and Management: McGraw Hill International, New York, 1986.
5. Francis, J. Clark, Management of Investments, McGraw Hill International, New York, 1988.
6. Lee, Cheng F.; Finnerty, Joseph E. and Wort, Donald H., Security Analysis and Portfolio Management, Foresman, Scott, 1990.
7. Sharpe, William F., Portfolio Theory and Capital Markets, McGraw Hill, New York, 1970.

MFC-3.4 PROJECT FINANCE AND MANAGEMENT

Max. Marks : 70

Time : 3 Hours

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer

question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Project planning : Project identification; Appraisal strategies, Project life cycle; Profitability and financial projections, Project formulation, appraisal and evaluation; Social-cost benefit analysis, Appraisal procedure of financial institutions.

Project capital cost estimation; Financing of Projects; Issue management; Loan syndication; Consortium financing; Venture capital; Project control : Project Management techniques, Project implementation, problem of time and cost over-runs; Project implementation practices in India.

Suggested Readings

1. Chandra, Prasanna, Project Preparation, Appraisal, Budgeting and Implementation, Tata McGraw Hill Publishing Co., New Delhi (4th ed.) 1995.
2. Choudhary. S , Project Management, Tata McGraw Hill Publishing Co. New Delhi.
3. Little, I:M.D. and Mirrless J.A. Project Appraisal and Planning for Developing countries, Heinemann Education Books, London, 1974.
4. Pahwa, H.P.S. Project Reports and Appraisals, Bharat Publishing House, New Delhi.
5. Pahwa, H.P.S. Project Financing, Bharat Publishing, House, New Delhi.
6. Verma, J.C., Merchant Banking, Tata McGraw Hill Publishing Co. New Delhi, 1990.

MFC-3.5 ADVANCED FINANCIAL MANAGEMENT

Max. Marks : 70

Time : 3 Hours

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answer to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Theory of Working Capital Management : Nature of Working Capital; Concepts of Working Capital Gross and Net; Need for Working Capital; Permanent and Temporary Working Capital, Consumption of Working Capital; Determinants of Working Capital Requirements, Determining the Financing mix for Working Capital.

Management of Cash: Facets of Cash Management; Motives for Holding Cash; Cash Planning, Managing the Cash Flows; Determining Optimum Cash Balance, Investment in Marketable Securities, Cash Management Models—Baumol Model, Miller Orr Model.

Management of Accounts Receivables : Objectives of Receivables Management; Costs and Benefits Associated with Receivables, Credit Policy variables; Monitoring Receivables; Factoring Receivables.

Management of Inventory : Objectives of Inventory Management; Costs and Benefits Associated with Inventories; Inventory Management Techniques—E O Q Model, ABC Analysis, Just in time Inventory Control.

Working Capital Finance and Banking Policy: Sources of Finance for working capital—Accruals, Trade Credit, Working Capital Advances by Commercial Banks, Public Deposits, Inter-corporate Deposits, Short term loan from Financial Institutions, Right Debentures for Working Capital, Commercial Papers. Regulations of Bank Finance : Dehejia, Tondon and Chore Committees.

Mergers, Acquisitions, Failures and Reorganisations : Types of combinations; financial considerations; Negotiations, Leveraged Buy-outs; Tender offers. Signs of failures, Voluntary settlements, liquidation, Re-organisation.

Financing of Expansions and Diversifications : Lease Financing, Venture Capital Financing; Warrants; Zero Intererst Debentures; Secured Premium Notes, Deep Discount Bonds.

Suggested Readings :

1. Hampton John J. Financial Decision Making, Prentice Hall of India, New Delhi.
2. Smith K.V. Management of Working Capital, New-York.
3. Van Horne J.C., Financial Management and Policy, Prentice Hall of India.
4. Pandey I.M., Financial Management, Vikas, New Delhi 1995.
5. Prasanna Chandra, Financial Management Theory and Practice, Tata McGraw Hill, Delhi.
6. Khan M.Y. and Jain P.K. Financial Management—Text and Problems Tata McGraw Hill New Delhi.
7. Ramamoorthy V.E. Working Capital Management, Institute of Financial Management, Madras.
8. Mehta D.R.; Working Capital Management, Prentice Hall, Englewood.

MFC 3.6 INTERNATIONAL FINANCE

Max. Marks : 70

Time : 3 Hrs.

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Finance function in International business, Environment for decision making; Development in International borrowings; International fund remittances.

Multinational capital budgeting-foreign investment decisions (including joint ventures); International diversifications; Political risk management; Cost of capital and capital structure; Working capital Management and Foreign Trade.

International dimensions of accounting and financial reporting practices; Translation of foreign currency into accounts; Accounts for the international corporations (including amalgamations)

Suggested Readings :

1. Allan C. Shairo, Modern Corporate Finance, Macmillan, New Delhi.
2. Eiteman, D.K. and Stonehill A.I., Multinational Business Finance, Addison-Wesley New York, 1982.

3. Gerhard, G.Mueller, International Accounting, Amerind Publishing Co., New Delhi.
4. Hanning, Pigott and Scott, International Financial Management.
5. O'Connor, D.J. and Bueso, A.T., International Dimensions of Financial Management; Macmillan Publishing Co., New Delhi, 1990.
6. Pilbeam, Keith, International Finance, The Macmillan Press Ltd., Hongkong, 1992.
7. Radebaugh, L.H., and Arpan J.S. International Accounting and Multi-national Enterprises, John Wiley & Sons, New York, 1985.
8. Shapiro, Alan C., Foundations of Multinational Financial Management, Allyn and Bacon, Boston, 1991.

Semester—IV

MFC 4.1 CORPORATE TAX PLANNING

Max. Marks : 70

Time : 3 Hours

NOTE :

The question paper shall consist of three Sections. **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Taxation of companies including computation of total income and tax liability.

Tax planning in respect of location of enterprise, Form of business organisation-sole proprietorship, H.U.F., partnership firm, Company, Type of activity-nature of product, Source of funds, Tax considerations covering specific management decisions Make or buy decision, own or lease, Retain or replace, Export or Local sale.

Tax Planning in respect of amalgamations and mergers of companies, expansion and diversification by companies.

Tax Planning in respect of dividend policy including bonus/right shares, intercorporate dividends.

Suggested Readings :

1. Tax Planning under Direct Tax Laws by Rajesh R. Haldirpur, Bharat Publishing House, New Delhi.
2. Corporate Tax Planning : By D.A. Sponni, Bombay Law House, Bombay.
3. Handbook of Corporate Tax Planning by E.A. Srinivas, Tata McGraw Hill, New Delhi.
4. Study Material of C.A. Final of the paper Tax-Planning & Tax Management.

MFC 4.2 MANAGEMENT OF FINANCIAL SERVICES

Max. Marks : 70

Time : 3 Hrs.

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions.

Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Nature and scope of financial services; Types of financial services; Institutions providing financial services; Leasing : Meaning and types, financial, legal and tax aspects; Hire-purchase; financial and legal evaluation; Bill discounting; Factoring and meaning, types, legal and financial aspects; Forfeiting : meaning and mechanics; Venture capital : concept characteristics, schemes and guidelines, tax and legal aspects, venture capital and evaluation of new project ideas; Experience of venture capital companies in U.S.A. and India : Corporate advisory services : Capital structure decisions, debt and equity financing, Reorganising financially troubled companies; mergers and acquisitions : finding merger and acquisition candidate, Valuation and pricing, financing, Sick unit and BIFR; Marketing of various financial services.

Suggested Readings :

1. Avadhani V.A., Investment and Securities Market in India, Himalaya Publishing House. New Delhi, 1912.
2. Shiva Ramu, S., Global Financial Services Industry, South Asia Publications, Delhi, 1995.
3. Srivastava, R.M., Essentials of Business Finance, Himalaya Publishing House, New Delhi.
4. Verma, J.C., Lease financing (concept, law and procedure), Bharat Law House New Delhi.

MFC 4.3 STOCK MARKET OPERATIONS

Max. Marks : 70

Time : 3 Hours

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each Question in upto two pages (250 words). Eight questions will be set by the examiner and five

questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Stock Exchange, National stock exchange and Over The Counter Exchange : role, organisation and management, listing rules, procedure including formats, formalities, accounting record about buying/selling transactions; Nature of transactions-cash, forward, options and futures; Securities Contract regulations Act: main Provisions.

Functionaries on stock exchange-brokers, sub-brokers, market makers, jobbers, portfolio consultants, individual investors, institutional investors, foreign institutional investors; NRI's: their role and legal position; Accounting records maintained by brokers, sub-brokers, investors, etc.

Grievances concerning stock exchange dealings and their removal, Grievance cells in stock exchanges, SEBI, Company Law Board, press etc., Remedy through courts.

Stock exchange operations in foreign countries particularly U.S.A and U.K.

Suggested Readings :

1. Chandratre K.R and others; Capital Issue, SEBI & Listing Bharat Publishing House, New Delhi.
2. Donal E. Fisher and Ronald J. Jordan, Security Analysis and portfolio Management, Prentice Hall of India Pvt. Ltd., New Delhi.
3. Gupta L.C. Stock Exchange Trading in India, Society for Capital Market Research and Development, Delhi 1992.
4. Machi Raju H.R. Merchant Banking, Wiley Eastern, New Delhi 1995

5. Machi Raju H.R. Working of Stock Exchanges in India, Wiley Eastern Ltd., New Delhi, 1995.
6. Raghunathan V., Stock Exchanges and Investments, Tata McGraw Hill, New Delhi 1994.

MFC 4.4 MANAGEMENT OF FOREIGN EXCHANGE

Max. Marks : 70

Time : 3 Hours

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the examiner and five questions will be attempted by the candidate. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study questions with answers to each essay type question in upto five pages (1000 words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents

Introduction of foreign exchange and foreign exchange markets; Exchange rate determination: Gold standard, Purchasing Power Parity (PPP) theory, balance of payment theory, an introduction of monetary approach and Portfolio balance approach to exchange rate determination; Flexible Vs fixed exchange rates; Exchange dealings and currency position; Management of risk in foreign exchange market; Forex derivatives: Swaps, futures and options; Convertibility of rupees and liberalised exchange rate management system; An overview of Indian exchange control regulations (FERA)

Suggested Readings :

1. Balachandran, P. Foreign Exchange—A Manual for Manager, Skylark Publications, New Delhi 1994.
2. Bhardwaj, H.P. Foreign Exchange Handbook, Wheeler Publishing, New Delhi, 1994.
3. Bharat's Foreign Exchange Regulations Act 1973.
4. Bhorali, D. and Sikidar S. International Financial Institutions and Monetary Management, Kalyani Publishing, Ludhiana.
5. Chaudhary, B.K. Financing of Foreign Trade and Foreign Exchange, Himalaya Publishing House, New Delhi.
6. Mishkin, Fredric S., Money, Banking and Financial Markets, Harper Collins Publishers.
7. Salvatore Dominick, International Economics, Mac-Millan Publishing, New York.

MFC-4.5 SMALL BUSINESS FINANCIAL MANAGEMENT

Max. Marks : 70

Time : 3 hrs.

NOTE :

The question paper shall consist of three Sections : **Section-A** will be compulsory comprising of five very short answer questions with answer to each question in upto five lines (50 words). Each question will carry two marks, total weightage to this Section being ten marks. **Section-B** will consist of short answer question with answer to each question in upto two pages (250 words). Eight questions will be set by the Examiner and five questions will be attempted by the candidates. Each question will carry six marks, total weightage to this Section being thirty marks. **Section-C** will consist of essay type/numerical/case study question with answers to each essay type question in upto five pages(1000words). Three questions will be set by the examiner and candidate will be required to attempt two questions. Each question will carry fifteen marks, total weightage to this Section being thirty marks.

Course Contents :

Small Business: Meaning, Definition, Nature, Importance; Legal Forms of Small Business Organisation; Problems of Small Business, Govt. Policy Regarding Small Business; Future of Small Business in India;

Financial Management in Small Business: Small Business versus Large Business from the viewpoint of Financial Management; Capital Budgeting Process in Small Business; Working Capital Management in Small Business- Nature and Importance of Working Capital in Small Companies, Cash Management, Receivable Management; Financial Leverage and Capital Structure as applicable to small companies; Profit Planning, Break-Even Analysis and Operating Leverage in the context of Small Business;

Sources of Financing Small Business: Various Types of Financial Requirements in Small Business Short Term Capital Intermediate Financing, Long Term Financing, Instruments of Financing, Different Requirements of Small Business-Procedural and Legal Aspects, Selection of an appropriate Financing-Mix Important considerations.

Going Public: Recent Trends, Inherent Problems in Going Public, Reasons for Going Public, Prerequisites for going public, Legal Requirements, Financial Implications.

Suggested Readings :

1. Ernest W. Walker and J. William Petty II; Financial Management of the Small Firm, Prentice-Hall, Inc, Englewood Cliffs, New Jersey.
2. Dewhurst and Burns; Small Business Finance and Control.
3. Committee Report to Review the Functioning of Financial Institutions; Financing of Small Firms; Great Britain.
4. Singh and Gupta, Financing of Small Industry.
5. Securities and Exchange Commission Reports : Govt. of India Publication, New Delhi.
6. Rothwell Roy and Walter Zegveld; Innovation and the Small and Medium Sized Firm, Francis Printer, London.

7. **Suri, K.B.(Ed), Small Scale Enterprises in Industrial Development- The Indian Experience, Sage Publication, New Delhi.**
8. **Francis Cherunilam, Business & Government, Himalaya Publishing House, New Dehli.**
9. **Malcolm Harper; Consultancy for Small Business; Intermediate Technology Publication, U.K.**
10. **Khan, R.R., Management of Small Scale Industries; S.Chand & Company, New Delhi.**
11. **All India Management Association; Guidelines for Small and Medium Business, New Dehli.**
12. **Vasant Desai, Management of a Small Scale Industry, Himalaya Publishing House, New Dehli.**
13. **Sharma, G.D., How to Start Your Own Small Scale Industry, Press and Publication Agency, New Dehli.**
14. **Vasant Desai, Organisation and Management of Small Scale Industries- A Systems Appraisal, Himalaya Publishing House, New Dehli.**
15. **Don Steinhoff; Small Business Management; McGraw Hill Kogakusha.**