

SOLAPUR UNIVERSITY SOLAPUR NEW SYLLABUS

M. COM. PART II

ADVANCED ACCOUNTANCY -PAPER -IV

(W. E. F. JUNE 2014)

Objective:

The objective of the course is to acquaint the students with the basic analytical techniques and methods of financial management of business firms. The course also provides students the exposure to certain sophisticated and analytical techniques that are used for taking financial policy decisions.

COURSE OUTLINE: SEMESTER - III

1. Financial Management: Nature, objectives and scope; financial decision-making and types of financial decisions; role of a finance manager in a firm and Agency problem. Risk Return framework for financial decision-making.

2. Capital Budgeting Decisions: Nature and Kinds of Capital Budgeting Decisions; techniques of evaluating capital budgeting decisions, capital budgeting decisions under constraints and with multiple objectives using Mathematical Programming Models; Capital budgeting decisions under inflation; Capital budgeting decisions under uncertainty and their evaluation using Statistical Decision Theory. Analysis of Real life capital budgeting decisions-some case studies.

3. Capital Structure: Concept; financial leverage and its impact on the valuation of firm; theories of capital structure, optimal capital structure; determinants of capital structure.
Capital Structure Theories: Traditional and M.M hypotheses - without taxes and with taxes; Determining capital, structure in practice

4. Dividend Policy: Dividend and its form; cash dividend, right and bonus shares, and buy-back of shares; theories of dividend policy and their impact on the value of a firm; types of dividend policy-constant pay-out ratio and constant dividend amount policies; determinants of dividend policy and some case studies.

COURSE OUTLINE: SEMESTER - IV

1. Working Capital Planning And Management: Basics of working capital planning and management; estimation of working capital requirement; working capital policy and its management of cash, accounts receivables and inventories; Mathematical and Simulation Models for Working Capital Decisions; financing working capital.

2. Corporate Re-Structuring: Mergers and Acquisitions-types; sources of takeover gains; valuation and financing of acquisitions; Analysis of some case studies. (The empirical evidences on theories and the case studies relevant for above topics are required be discussed.)

3. Operating and Financial Leverage – types of leasing; lease or buy decisions.
: Measurement of leverages, Effects of operating and financial leverage on profit; Analysis alternate financial plans; Combined financial and operating leverage.

4. Financial Markets;- Money and capital markets Money market- 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; Government securities market; Role of SEBI-an overview; Recent developments.

Suggested Readings:

1. Van Horne, James C., *Financial Management and Policy*, Prentice Hall of India 12th Ed, 2008.
2. Pandey I. M., *Financial Management*, 9th Ed. Vikas Publishing.
3. Ross S.A., R.W. Westerfield and J. Jaffe, *Corporate Finance*, 7th Ed. McGraw Hill.
4. Brealey R.A. and S.C. Myers, *Principles of Corporate Finance*, McGraw Hill, 6th Ed.
5. Damodaran, A, “*Corporate Finance: Theory and Practice*”. John Wiley & Sons, 2nd Ed., 2001.



Solapur University, Solapur

Nature of Question Paper For Semester Pattern

• Faculty of Commerce (B.Com., M.Com.)

Model Question Paper

(w.e.f. June 2014)

Time: - 2 hrs.

Total Marks-50

- | | | |
|-------------|--|-----------|
| Q. 1 | Multiple choice questions
(four alternatives should be given) | 10 |
| | 1 ----- | |
| | (a) (b) (c) (d) | |
| | 2 | |
| | 3 | |
| | 4 | |
| | 5 | |
| | 6 | |
| | 7 | |
| | 8 | |
| | 9 | |
| | 10 | |
| Q. 2 | Answer the following
(Short note/Short problem/Short answer) | |
| | (A) | 05 |
| | (B) | 05 |
| Q. 3 | Answer the following
(Short note/Short answer/Short problem) | |
| | (A) | 05 |
| | (B) | 05 |
| Q. 4 | Answer any one (Long answer/Problem) | 10 |
| | i) | |
| | ii) | |
| Q. 5 | Answer any one (Long answer/Problem) | 10 |
| | i) | |
| | ii) | |

1. Structure of the courses :-

- A) Each paper of every subject for Arts, Social Sciences & Commerce Faculty shall be of 50 marks as resolved by the respective faculties and Academic Council.
- B) For Science Faculty subjects each paper shall be of 50 marks and practical for every subject shall be of 50 Marks as resolved in the faculty and Academic Council.
- C) For B. Pharmacy also the paper shall be of 50 marks for University examination. Internal marks will be given in the form of grades.
- D) For courses which were in semester pattern will have their original distribution already of marks for each paper.
- E) For the faculties of Education, Law, Engineering the course structure shall be as per the resolutions of the respective faculties and Academic Council.

2. Nature of question paper:

A) Nature of questions.

"20% Marks - objectives question" **(One mark each and multiple choice questions)**

"40% Marks - Short notes / Short answer type questions / Short Mathematical type questions/ Problems. **(2 to 5 Marks each)**

"40% Marks - Descriptive type questions / Long Mathematical type questions / Problems. **(6 to 10 Marks each)**

- B) Objective type question will be of multiple choice (MCQ) with four alternatives. This answer book will be collected in first 15 minutes for 10 marks and in first 30 minutes for 20 marks. Each objective question will carry one mark **each**.
 - C) Questions on any topic may be set in any type of question. All questions should be set in such a way that there should be permutation and combination of questions on all topics from the syllabus. As far as possible it should cover entire syllabus.
 - D) There will be only five questions in the question paper. All questions will be compulsory. There will be internal option **(40%)** and not overall option. **for questions 2 to 5.**
3. Practical Examination for B. Sc. I. will be conducted at the end of second semester.
4. Examination fees for semester Examination will be decided in the Board of Examinations.

The structures of all courses in all Faculties were approved and placed before the Academic Council. After considered deliberations and discussion it was decided not to convene a meeting of the Academic Council for the same matter as there is no deviation from any decision taken by Faculties and Academic Council. Nature of Question Paper approved by Hon. Vice Chancellor on behalf of the Academic Council.