

VEER NARMAD SOUTH GUJARAT UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

(Evening)

(With Effect From July 2002)

Semester – IV

Optional Courses

1. Finance & Accounting Group

OF&A 401 Foreign Exchange Management

OF&A 402 Corporate Taxation & Financial Planning

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Semester – IV

FINANCE & ACCOUNTING GROUP

OF & A 401

Foreign Exchange Management

Objectives ;

To acquaint the participants with the mechanism of the foreign exchange markets, measurement of the foreign exchange exposure, and hedging against exposure risk.

Course Contents;

Types of Foreign Exchange Markets and Transactions, Quoting Foreign Exchange Rates, Spread, Official and Free Market Rates, Cross Rates, Forward Rates, Quoting Forward Rates; Organisation of the Foreign Exchange Markets; Currency Futures; Currency Options; Currency Swaps; Corporate Exposure Management; Alternative Definitions of Foreign Exchange Risk, Exposure Information System, Alternative Strategies for Exposure Management, Exposure Management Techniques, Organisation of the Exposure Management Function; Parameters and Constraints on Exposure Management: Theory and practice of Forecasting Exchange Rates-Economic Fundamentals, Financial and Socio-Political Factors, Technical Analysis; Tax Treatment of Foreign Exchange Gains and Losses; FEMA.

Suggested Readings

1. Alber, R.Z. Exchange Risk and Corporate International Finance, London, Macmillan, 1978.
2. Bhalla, V.K. International Financial Management, 2nd ed., Delhi, Anmol, 2001.
3. Luca Comelius Trading in the Global Currency Markets, NJ. Prentice Hall, 1995.
4. Shapiro, A.C. International Financial Management, Boston, Allyn and Bacon, 1979.
5. Sutton, W.H. Trading in Currency Options, NY, New York Institute of Finance, 1987.

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OF & A 402

Corporate Taxation & Financial Planning

Objectives:

The objective of this course is to acquaint the students with the tax structure as applicable to corporate bodies and to provide opportunity to corporate tax planning and management in Indian business.

Course Contents:

Basic frame work of Direct Tax laws in India. inter-relation of different direct taxes and the problem of tax planning with reference to such inter-relationships in the scheme of taxation in India, and the relative importance of the Income Tax Act Annual finance Act in that context.

The various recognized methods of tax planning such as legal diversion of income ensuring maximum claim for deductions taking advantage of available reliefs and rebates, tax free sources of incomes etc., Problems arising from provision for aggregation of incomes under certain circumstances and legal opportunities for avoidance of such provisions, Maintenance of proper accounting records to obtain maximum tax relief, Selection of form of organization and tax planning.

Guidelines to small businessman and professionals with regard to their compliance with tax requirements.

Tax holiday provisions and other reliefs and rebates for industry, problems of double taxation. Significance of depreciation rebate and other similar allowance in tax planning. Tax incentives for export business and tax implications for receiving and giving foreign collaboration. Tax deductions for debt, equity, deposit term loan and deferred payment facilities. payment of interest on capital issue of convertible bonds from the view point of tax planning.

Suggested Readings:

1. Sukumr Bhattacharya : Corporate Taxation and Financial Policy(Nagpur)
2. Vinod K. Sunghania : Direct Taxes-Loans and Practice(Delhi)
3. R.R.Gupta : Indian Income Tax Act. (Agra)
4. Bhagwati Prasad : Law and Practice of Income Tax in India(Aligarh)
5. M. Shrinivasan : Hand Book of Corporation Tax in India (Aligarh)