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Veer Narmad South Gujarat University, Surat.

M.Com.

Special Subject : Theory & Practice of Modern Finance

Proposed Course Structure

M.Com. - I

1. Finance Theory, Finance Instrument and Markets
2. Quantitative Methods for Finance (Introductory Econometrics for Finance & Financial Research
3. Advanced Financial & Management Accounting Practices.

M.Com. - II

4. Risk Management and Control & Foreign Exchange Management.
5. Corporate Finance & Portfolio and Investment Management
6. Accounting for Financial Decision Making

Ujaini
Dean
Com. Faculty

Veer Narmad South Gujarat University, Surat.

M.COM.- I

Finance Theory, Finance Instrument and Markets - Paper -I

(To Come in force from 2009-10)

Course Contents

Introduction, Risk and Risk Aversion, Capital allocation, CAPM, Aero Debreu pricing. Consumption Capital Pricing model, Financial Structure and Firm valuations in incompleter markets, Financial equilibrium with Differential Information, Basics of Capital Structure, option contract, Financial Instruments, Characteristics and analysis of bonds, futures and options, Swaps, Vanilla options, Simple Exotics, Term Structure of Interest Rates, Introduction to Markets: Structure, the money market, capital market, Bond market. Investment Companies, Foreign Exchange Market, Futures markets, commodities markets and their structure, the energy markets.

REFERENCES

1. Jean and John(2005}, *Intermediate Financial Theory*, Academic Press.
2. Marcia Cornett, Troy Adair, and John Nofsinger (2008), *Finance: Applications and Theory*, Tata Macgraw Hill.
3. Milne(2003), *Finance Theory and Asset Pricing*, Oxford University **Press**.
4. Reilly and Brown(2008), *Investment Analysis and Portfolio Management*, Cengage Learning.
5. Zvi Bodie, Kane, Marcus and Mohanty(2007), *Investments, Sixth Edition*, *The Mcgraw-Hill Companies*

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M.COM.- I

Quantitative Methods for Finance - Paper - 2

(To Come in force from 2009-10)

Course Contents

1. Basic Calculus for Finance
Introduction, functions and graphs, equations and Roots, differentials and Integration, Analysis of financial Returns, functions of several variables, Taylor Expansion.
2. Essential Linear Algebra for Finance
Matrix algebra and its mathematical applications, eigenvectors and Eigen values. Applications to linear portfolio, matrix decomposition, principal component analysis
3. Probability and Statistics
Basic Concepts, univariate distributions, multivariate distribution, introduction to statistical inference, maximum likelihood estimation, stochastic process in discrete and continuous time.
4. Introduction to Linear Regression
Simple linear regression, ordinary least squares, properties of error process, ANOVA and goodness of fit, properties of ols estimators, violations of assumptions and remedial measures. Applications of linear regression in Finance
5. Numerical Methods in Finance
Iteration, interpolation and Extrapolation, optimization, Finite difference approximation, monte carlo simulation.

REFERENCES:

1. Anderson, Sweeney and Williams (2007), Statistics for Business and Economics, Thomson south-western, India.
2. Black Ken (2004), Business Statistics for Contemporary Decision Making, Wiley student Edition, India.
3. Brooks(2008), *Introductory Econometrics for Finance*, Cambridge University Press.
4. Doane and Seward(2007), Applied Statistics in Business and Economics, Tata Mcgraw Hill, New Delhi.
5. Gujarati (2004), Basic Econometrics, Tata Mcgraw Hill, India.
6. Keller(2007), Statistics for Management and Economics, Thomson south-western, India.
7. Lee, Lee and Lee(2000), *Statistics for Business and Financial Economics*, World Scientific, India.
8. Swift and Piff(2005), Quantitative Methods For Business, Management And Finance, Palgrav Macmillan
9. Teall and Hasan(2002), *Quantitative methods for Finance and Investment*, Wiley- Blackwell.
10. Terry and Keith{1996}, Quantitative methods for Finance, Cengage Learning Business Press

VEER NARMAD SOUTH GUJARAT UNIVERSITY

M.Com. Part – I (Modern Finance)

Advanced Financial & Management Accounting Practices

Paper- III

(To come in force from 2009-2010)

Objectives :

1. To acquaint the student with recent trends in accountancy
2. To develop in them the skill to analyze the financial accounting data for managerial decisions.

1. Final Accounts of Limited Company

Advance company final accounts.

2. Recent trends in published accounts.

3. Interpretation and Analysis of Financial Statements

Different methods and devices used in analyzing financial statements - interpretation of financial statements from the view points of shareholders, Debenture holders, prospective investors and Institutions providing funds.

4. Ratio Analysis

Classification of ratios, Uses and limitations of ratios, Computation of different ratios from the given data, preparation of financial statements on the basis of ratios and other data.

5. Fund Flow Analysis

Concept - Objective - Its uses and limitations - Preparation of statement of sources and application of funds.

6. Cash Flow Analysis

Preparation of Cash Flow Statement as per Indian Accounting Standard – 3.

7. Reports to Management.

Objectives to reporting - Reporting needs of different Management levels - Types of reports - Guiding principles for preparing reports - Modes of reporting - Preparation of reports and use of reports by management.

8. Accounting Standards

(Recommended by the Institute of Chartered Accountants of India)

Meaning - Objects - Utilities - International Accounting Standard Committee (IASC) - Accounting Standards Board (ASB) - Following five standards required to be studied.

- Disclosures of Accounting Policies.
- Evaluation of Stock (Inventories)
- Depreciation Accounting
- Final Account - Profit or loss & Changing of Accounting Policies.
- Financial Statement.

9. Valuation of Assets as per Accounting Standards 10 & 13.

Note :

1. Final Accounts of Company are to be taught only as per Scheduled and it is expected to prepare Vertical Balance Sheet. “ T ”
2. Problems carrying not less than 80% of the total marks shall be asked.

References :

- Advance Accounting Vol. I & II - R. L. Gupta; Sultan Chand & Co., New Delhi.
- Advanced Accounting - S. N. Maheshwari.
- Management Accounting & Financial Control - S. N. Maheshwari Sultan Chand & Co., New Delhi.
- Contemporary Accounting, Issues By Jawarlal, Published by Vision Books, New Delhi.
- Principles of Management Accounting by Manmohan and S. N. Goyal, Sahitya Bhavan, Agra.
- Human Resource Accounting - Gupta; Sultan Chand & Sons.
- Inflation Accounting - Gupta; Sultan Chand & Sons.

- Practical Financial Analysis - Foulke R. A.
- Techniques of Financial Analysis - Erich A. Illefert.
- Accounting Standards - Indian & International - N. Das Gupta; Sultan Chand & Sons.
- Advanced Accounting - Tulsian; Tata. McGraw Hill.
- Management Accounting - Dr. S. P. Gupta; Sahitya Bhavan, Agra.
- Accounting Theory - L. S. Porwal; Tata McGraw.
- Wheldon's Acost Accounting - L. W. J. Owler & J. L. Brown; Pitman Publishing Ltd., London.
- Cost Accounting - N. K. Agrawal; Global Business Press.
- Financial Accounting - S. KR. Paul; New Central Book Agency (P) Ltd., Kolkata.
- Advance Accounting Vol. I & II - R. L. Gupta; Sultan Chand & Co., New Delhi.
- Management Accounting & Financial Control - S. N. Maheshwari Sultan Chand & Co., New Delhi.
- Advance Management Accounting - Ravi M. Kishore; Taxmann Allide Services (P) Ltd., New Delhi.
- Management Accounting Tools & Techniques - N. Vinaykam & I. B. Sinha; Himalaya Publishication House, Mumbai.
- Advance Accounting - M. C. Shukla & T. S. Grewal; S. Chand & Company, Mumbai.
- Advance Accounting - R. L. Gupta & M. Radhaswamy; Sultan Chand & Co., New Delhi.
- Multinational Financial Management - Alan C. Shapiro, Prentice - Hall of India, New Delhi.
- International Financial Management - P. G. Apte; Tata MC Graw, Hill Publishing Company Ltd., New Delhi.

