

University of Mumbai



POST GRADUATE DIPLOMA IN FINANCIAL MANAGEMENT Semester Pattern Syllabus

**To be implemented from
Academic Year- 2016-2017**

***Faculty of Commerce,
University of Mumbai***

PGDFM COURSE SUBJECTS

(TO BE IMPLEMENTED FROM ACADEMIC YEAR 2016-17)

SEMESTER – I

NO	NAME OF SUBJECT	EXTERNAL MARKS	INTERNAL MARKS	NO OF LECTURES
1.	Accounting System	80	20	15
2.	Cost & Management Accounting	80	20	15
3.	Financial Markets	80	20	15
4.	Financial Statement Analysis	80	20	15

SEMESTER - II

NO.	NAME OF SUBJECT	EXTERNAL MARKS	INTERNAL MARKS	NO OF LECTURES
1.	Taxation (Direct & Indirect)	80	20	15
2.	Financial Management	80	20	15
3.	International Finance	80	20	15
4.	Investment Management	80	20	15

Detailed syllabus of the course is as follows:

SEMESTER –I

1.Accounting System

No.	Modules/Unit
1	Accounting – <ul style="list-style-type: none">• The Language of Business.Accounting :AnInformation System. Users of Accounting information Branches of Accounting.• Financial Accounting Concepts and Conventions.Double entry System and Accounting equations.
2	<ul style="list-style-type: none">• Generally Accepted Accounting Principles,Basic of Indian Accounting Standard,Accounting Standard Vs US GAAP Introduction of IFRS
3	<ul style="list-style-type: none">• Capital and Revenue Expenditure -Deferred Revenue Expenditure-Capital and Revenue Receipt ,Depreciation-Definition-Causes-Necessity of providing for depreciation-Methods of Calculating Depreciation Straight line Method and Written Down Value Method-Problems
4	<ul style="list-style-type: none">• Preparation Basic Accounting Records- Preparation of Journal Ledger and Trial Balance -Preparation of Fina Accounts.Trading Profit and Loss Account and Balance Sheet. Presentation of financial statements Revised Schedule VI

Reference Books-

- 1.N.Ramchandran and Ramkumar Kakani,Financial Accounting for Management.New Delhi,Tata-Mac GRAW-Hill ,2nd EDITION,2008
- 2.Narayanswamy-Financial Accounting :A Managerial perspective (2nd Edn)-PHI
- 3.Paresh shah ,Basic Financial Accounting for Manage,New Delhi,Oxford University Press,2008
- 4.P.C.Tulsian,Financial Accounting ,Pearson,2008
- 5.S.N.Maheshwari,Introduction to Accountancy,New Delhi,Vikas Publishing House,10th Edition ,2009

2. Cost & Management Accounting

No.	Modules/Unit
1.	<ul style="list-style-type: none">• Cost Accounting Objectives of costing system ,cost concepts and cost classification Management accounting ,tool and techniques of management accounting.Distinction and Management accounting
2.	<ul style="list-style-type: none">• Methods of Costing -Unit costing ,job & batch cost ,contract costing and process costing ,Classification of costs.Element of cost-Material cost ,Labour cost and overheads.
3.	<ul style="list-style-type: none">• Breakeven Analysis- Cost Volume Profit Relationship- Application of Marginal Costing. Techniques: Fixing Selling Price,Make or Buy,Accepting a foreign order,Deciding sales mix
4.	<ul style="list-style-type: none">• Budgetary control & Variance analysis- Preparation of various types of budgets ,advantages & limitations budgetary control report to management. Meaning and uses of standard costing :procedure of getting standard :variance analysis one way and two way analysis of variance overall cost variance,materialvariance,labour variance and overhead variance.

Reference Book :

1. Horngren,Foster & Datar-Cost Accounting :A Managerial Emphasis (Pearson)
2. Pillai & Bhagavathi- Cost Accounting (S.Chand)
3. M.N.Arora- Cost and management Accounting Theory and Problems (HPH)

3. Financial Markets

No.	Modules/Units
1.	<ul style="list-style-type: none">• Financial System-Structure of financial system -Indian Financial system-Financial Development-Savings and investment-Financial Integration and De-regulation-Regulatory institutions.
2.	<ul style="list-style-type: none">• Capital Markets- Industrial securities ,Primary markets,Secondary markets,Stock exchanges,Stock market index-buying and seling securities on the stock exchanges-Stock exchange terms.
3.	<ul style="list-style-type: none">• Money Market- Cal.money markets- Commercial Bill market-Market for commercial papers and certificate of deposits-The discount market,Government securities market-treasury bills.
4.	<ul style="list-style-type: none">• Foreign exchange market - Nature,Organisation and participants,Exchange rates,decaluation and depreciation, currency convertibility Market for futures Options and other Derivatives.

Reference Books :

- 1.Financial Markets and Institutions-L.M.Bhole
- 2.Financial Market -Dr.P.K.Bandgar

4. Financial statement Analysis

No.	Modules/Units
1.	<ul style="list-style-type: none">• Basic of Balance Sheet and Profit & loss Account Statement. Analysis of Financial Statement through Trend Analysis, Common size statements
2.	<ul style="list-style-type: none">• Introduction to funds Flow Statement, Calculating Funds from Operation Analysis of Funds Flow Statement, Importance of Funds Flow Analysis. Introduction to cash flow Statement Calculating Operating/Financing and Investing Cash Flows Analysis of Cash flow statement, Importance of Cash flow Analysis
3.	<ul style="list-style-type: none">• Introduction to Ratio Analysis, Importance of Ratio Analysis, Understanding liquidity / Leverage & Coverage/Turnover/Expense and Profitability ratios using ratios to analyse the financial performance of a company Introduction to dupont Analysis
4.	<ul style="list-style-type: none">• Understanding Annual Reports of a Company Director's Reports, Management Discussion and Analysis, Notes to Account. Basic computation of Free Cash Flows for Equity.

Reference Books:

1. Financial Management - Prasanna Chandra
2. Financial Management - I.M. Pandey
3. Financial Management - Khan & Jain
4. Corporate Finance - Brealy & Mayers
5. Techniques of Financial Analysis - Erich A. Helfert (Tata McGraw Hill)
6. Understanding Financial Statements - Interpretation and Analysis - A. A. Gopalkrishnan

SEMESTER –I

1. Taxation (Direct & Indirect)

No.	Modules/Units
1.	Introduction and Basic Concepts <ul style="list-style-type: none">• Definitions: Person, Assessee, Income• Basis of charge: Previous Year, Assessment Year, Residential Status, Scope of Total Income, Deemed income
2.	Heads of Income <ul style="list-style-type: none">• Income from Salary• Income from House Property• Profits and Gains from Business and Profession• Income from Capital Gains• Income from Other Sources
3.	Deductions u/s 80 and Exclusions from the Total Income <ul style="list-style-type: none">• Deductions: 80C, 80CCF, 80D, 80DD, 80DDB, 80E, 80U• Exclusions: Exemptions related to Specific Heads of Income to be Covered with Relevant Provisions, Agricultural Income, Sums Received from HUF by a Member, Share of Profit from Firm, Income from Minor Child, Dividend
4.	Computation of Income and Tax of Individual, Firm and Company (Excluding MAT) and Provisions for Filing Return of Income - Sec 139(1) and Sec 139(5) <ul style="list-style-type: none">• Computation of Income & Tax of Individual and Partnership Firm
5.	Overview of Goods and Service Tax <ul style="list-style-type: none">• Introduction and Meaning of GST and IGST• Scope of GST• Present/old Tax Structure v/s GST• GST in Other Countries• Existing taxes proposed to be subsumed under GST• Principles adopted for subsuming the taxes• Dual GST• Benefits of GST• GST Council• GST Network (GSTN) and GST regime• Integrated Goods and Services Tax Act, 2017: title and definitions, administration.

6.	<p>Registration under GST</p> <ul style="list-style-type: none"> • Rules and Procedure of registration • Special provisions relating to casual taxable person and nonresident taxable person • Amendment of registration • Cancellation of registration • Revocation of cancellation of registration
7.	<p>Place of supply of goods or services or both under Integrated Goods and Services Tax Act, 2017</p> <ul style="list-style-type: none"> • Sec 10 and Sec 12
8.	<p>Payment of GST</p> <ul style="list-style-type: none"> • Introduction • Time of GST Payment • How to make payment • Challan Generation & CPIN • TDS & TCS
9.	<p>Collection of Tax under Integrated Goods and Services Tax Act, 2017</p> <ul style="list-style-type: none"> • Sec 5 and Sec 6

SUGGESTED READINGS

1 Bare Acts

2 Judgements and pronouncements by statutory authorities

2. Financial Management

No.	Modules/Units
1.	<u>Indian Financial System</u> - <ul style="list-style-type: none">• Significance of the Financial System• Components of Financial System• Financial Intermediaries• Regulatory System <u>Time Value of Money</u>
2.	<u>Theory of capital structure</u> <ul style="list-style-type: none">• Cost of Capital-Leverage
3.	<u>Working Capital Management</u> <ul style="list-style-type: none">• Inventory Management -Receivables Management - Cash Management (Budget)
4.	<u>Capital Budgeting</u> <ul style="list-style-type: none">• Nature and Principles-Identifying Relevant Cash Flows-Evaluation Techniques

Reference Books-

1. Financial Management - Prasanna Chandra
2. Financial Management-I.M.Pandey
3. Financial Management- Khan & Jain
4. Financial Management-Sihler Crawford and Davis
5. Advanced Financial Management - Dr.P.K.Bandgar

3. International Finance

No.	Modules/Units
1.	<ul style="list-style-type: none"> • Introduction to the history of International Monetary System. Gold Standard, Bretton woods system, Collapse of Bretton Woods system Smithsonian Agreement • Understanding Modern Exchange rate Management Systems. Fixed Peg, Crawling peg, Peg with Bands, Current Board, Managed Float, Independent Float • Introduction of Eurocurrency Markets • Introduction to FEMA
2.	<ul style="list-style-type: none"> • Introduction to factors the impacting Exchange Rate: Inflation Interest Rate, Demand and Supply of Foreign Currency, Economic environment etc • Purchase Power Parity Theory • Interest Rate Parity Theory
3.	<ul style="list-style-type: none"> • Introduction to modern Foreign Exchange markets, • Structure of Indian Forex Market- Authorised Dealer- Money Changer- Dealing Room Operations- Role of FEDAI • Types of deals in Forex Market , Foreign Exchange Quotes, Bid Rate/Ask Rate, Calculation of forward rate quote • Foreign Exchange arithmetic, Basic Problems on calculation of Inverse Quote, One point, Two Point and Three Point arbitrage
4.	<ul style="list-style-type: none"> • Introduction to international Debts Market Various categories of instruments in International Debts Market. • International Bonds, Syndicate Loans, External Commercial Borrowing, Buyers Credit & Supplier Credits, Process of Insurance of Bonds • Introduction of International Equity Markets and Instruments- GDR/ADR/IDR process of issuance of Depositary Receipts • Participatory Notes in Indian Forex Market • Introduction to concept of Forex Derivatives; Forward futures, Options and Interest Rate Swap and Currency Swap.

Reference Books :

1. International Finance- P.G. Apte
2. Foreign Exchange Management - A.V. Rajwade
3. Fundamentals of International Financial Management- S. Kevin (Prentice Hall India)
4. Multinational Financial Management- Madhu V.J.
5. International Finance - Avdhani

4. Investment Management

No.	Modules/Units
1.	<ul style="list-style-type: none"> • Investment Management Objective, Investment opportunities and philosophy of individual & institutional investors • Fundamental analysis concept & significance of economic analysis • Industry analysis introduction need for industry analysis alternative classification of Industry. • Industry lifecycle analysis economic factors & Industry analysis, SWOT analysis for industries
2.	<ul style="list-style-type: none"> • Nature and style of management and its impact on Company Value. • Technical analysis Introduction to Technical Analysis different charting techniques. • Technical analysis DOW theory, Different technical Indicators- volume indicates market sentiment indicators confidence indicators • Efficient market theory random walk weak form, semi-strong, strong form of market, Empirical tests, Comparison of random walk.
3.	<ul style="list-style-type: none"> • Portfolio theory selection risk & return, efficient set of portfolios, • Capital Asset Pricing theory (CAPM) capital Market line, Security market line • Technical analysis DOW theory, Different technical indicators - Volume indicators, market sentiment indicators, confidence indicators. • Efficient market theory random walk, weak form, semi-strong, strong form of market, Empirical tests, Comparison of random walk
4.	<ul style="list-style-type: none"> • Concept of future characteristics of future contract its types • Concept of Options, Option trading, Option Contracts settlement • Pricing of option futures • Difference between future, options, forwards & badla contracts

SUGGESTED READINGS

1. Investment Management - V.K. Bhalla, S. Chand Publications
2. Investment Analysis & portfolio Management - P Chandra, Tata McGraw-Hill
3. Options, Future & Other Derivatives, John C Hull, Pearson Prantice Hall