

Subject Code: 308

Subject Name: Accounting Standard I

Genesis of Accounting Standards in India

Accounting Standards 1 to 12

- Status and applicability of standards
- Objectives and scope of standards
- Definition of the terms used in standards
- Basic provision and principles of standards
- Disclosure requirements of standards
- Problems based on standards
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(Approximately 5 hours per Standard depending upon the scope of each Standard)

Books Recommended

1. R P Rustagi – Accounting Standards
2. D' Souza – Indian Accounting Standards and GAAP
3. D S RAwat – Students Guide to Accounting Standards
4. M P Vijay Kumar – First Lessons in Accounting Standards for CAPE -II
5. S D Bala & M P Vijaykumar – Application Guidance to Accounting Standards in India

SEMESTER IV

Subject Code: 401

Subject Name: Financial Management –I

Unit I: Nature of Financial Management

8 Hrs

- Scope, Functions, objectives
- Evolution of Corporate Finance
- Organization of Finance function
- Importance of the finance function
- Basic Considerations of Risk and Return
- Responsibilities of Financial Manager in a firm

Unit II: Time value of money

20 Hrs

-Compounding

-Discounting

Risk & Return

- Sensitivity Analysis
- Probability Distribution
- Standard deviation

- Coefficient of variation
- Valuation of Securities
- Bond valuation
(Interest paid annually, semiannually)
- Yield to maturity
- Valuation of ordinary shares
 - Zero Growth Model
 - Constant Growth Model (Gordon model)
 - Variable Growth Model

Unit III: Leverage Analysis

10 hrs

- Operating leverage
- Financial Leverage
- Combined Leverage
- EBIT- EPS Analysis

Unit IV: Cost of Capital

8 Hrs

- Cost of Equity Capital
- Cost of Debt Capital
- Measurements of Special Costs
- Computation of overall cost of Capital

Unit V: Planning the Capital Structure

10 Hrs

- Introduction
- Importance and Concept
- Capital Structure Theories

Unit VI: Dividend Decision

4 hrs

Dividend decision – Determinants of dividend decision

Recommended Books

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| 1. Financial Management | : Prasanna Chandra |
| 2. Financial Management | : I.M.Pandey |
| 3. Corporate Finance | : S.C.Kuchhal |
| 4. Principles of Financial Management | : S.M.Inamdar |
| 5. Financial management | : Khan & Jain |