

APPENDIX – AE23

**MANONMANIAM SUNDARANAR UNIVERSITY
DIRECTORATE OF DISTANCE AND CONTINUING EDUCATION
M.COM**

(Effective from the Academic Year 2016-2017 onwards)

Scheme of Examination

First Year	Hrs.	Maximum Marks	Credits
Paper 1: Business Management	3	100	8
Paper 2: Business Environment	3	100	8
Paper 3: Advanced Financial Accounting	3	100	8
Paper 4: Accounting for Financial Decision Making	3	100	8
Second Year			
2.1 Business Ethics and Social Responsibility	3	100	8
2.2 Advanced Corporate Accounting	3	100	8
2.3 Research Methodology	3	100	8
2.4 Cost System and Cost Control	3	100	8
Total No. of Credits : 64			

FIRST YEAR

PAPER I – BUSINESS MANAGEMENT

Unit I:

Management – Management and Administration – An Science – Is Management a Profession – Evolution of Management – Thought – Taylor – Fayol – Neo classical theory – Modern Theory – contingency approach.

Unit II:

Planning – Significance of Planning – Features of a good plan – Advantages – limits – Objectives – Policies – Rules – Procedures – Programme – Schedule – Decision – Policy – social Responsibility of Management.

Unit III:

Organising – Principles of organisation – scalar chain – Formal and Informal – Steps – Span of control – Departmentation – Organisation structure – Organisation chart – Delegation

and Decentralisation – Line – Line and Staff – Functional Organisation – Selection and Training of Personnel – Management Development.

Unit IV:

Direction – Communication – Barriers – Motivation Theories – Maslow, Herzberg, McClelland Vroom, Peter-Lawer-Leadership styles – Coordination.

Unit V:

Controlling – Control Techniques – systems approach to control function – Information system – Feed Back – Management Audit.

References:

1. Koortz and O' Donnel, Principles of Management
2. Peter F. Drucker, Practice of Management
3. Lallan Prasad, Principles of Management
4. Earnest Dale, Management Theory & Practice
5. Louis A. Allen, Management and Organisation.

PAPER 1.2 BUSINESS ENVIRONMENT

Unit – I

Environment of Business:

Meaning, Definition, Nature and Importance – Factors influencing the business – Ecological or natural – Demographic – Economic – Political and Legal – Social and Cultural – Physical and Technological – Dynamic setting of business – need for environmental analysis.

Reasons for Government intervention and Regulations – Development of Industrial Policies – Industrial Policy Resolutions / Statements in India – Licencing policy in India – Licencing Procedure.

Unit – II

Control Over Finance:

Issue of Fresh Capital Right issue – Bonus issue – Issue of Debentures.

Lending policies of Financial Institutions in India

Foreign Capital – Need for foreign Capital – classes of Foreign Capital – Private Foreign Investment Policy.

Unit – III

Creativity in Organisation:

Meaning and Definition – Creativity and Innovation – Steps in creative process – Organisational Creativity – Climate for Organizational creativity – Creative process in organization – Techniques for developing creativity.

Unit IV

Business Policy:

Nature, meaning and Scope – Stages in formulating the policy determinants of business policy – Purpose – guidelines of formulation of business policies – Policy statement making process – Level of Policies – classification of policies in Key areas.

Books recommended:

Francis, cherumilam - Business Environment, Himalaya Publishing House, Bombay
Damodar Gujarati - Government & Business Mc Graw – Hill Book Company, Newyork
K. Aswathappa - Essentials of Business Environment, Himalaya Publishing House
P.K. Ghosh - Business Policy, Strategic Planning & Management, Sultan Chand & Sons, Delhi

Francis Cherunilam - Business & Government, Himalaya Publishing House

P.K. Ghosh - Business & Society, A study of business Environmental Interface Sultan
G.K. Kapoor Chand & Sons, Delhi

D. Amarchand - Government & Business, Tata Mc Graw Hill Publishing Company Ltd.,
New Delhi

PAPER 1.3 ADVANCED FINANCIAL ACCOUNTING

1. Accounting principles – Systems, concepts and conventions – Accounting Standards.
2. Accounting for non-trading concerns and professionals – Account from incomplete records.
3. Advanced problems in partnership – past adjustments – Guarantee – admission, retirement, death, amalgamation, dissolution – Sale to a company – piecemeal distribution
4. Branch accounts – Dependent Branch – Stock and Debtors system – Wholesale branch – Independent branch – Foreign branch – Departmental Accounts.
5. Hire purchase system – including stock and debtor system – Installment system
6. Insurance claims – Loss of stock and profit Entries in the books of accounts.
7. Investment Accounts – Voyage accounts – Empties and packages Accounts – Farm accounts – Royalties account – Contract account.

Books for reference:

1. M.C. Shukla, T.S. Grewal – Advanced Accounts – S. Chand & Co., New Delhi
2. R.L. Gupta, M. Radhaswamy – Advanced Accountancy – Sultan Chand & Sons, New Delhi
3. M.A. Arulanandam and K.S. Raman – Advanced Accountancy, Himalaya Publishers, New Delhi
4. S.P. Jain, R.L. Narang – Advanced Accountancy, Kalyani Publishers, New Delhi
5. S.P. Iyenger – Advanced Accountancy, Sultan Chand & Sons, New Delhi.
6. Pickles – Accounting
7. Gillespie – Accounting Systems, Procedures and methods – Prentice Hall India Ltd., Delhi
8. Agarwala, AN. – Higher Science of Accounting – Kitab Mahal, Allahabad

PAPER 1.4 ACCOUNTING FOR MANAGERIAL DECISION MAKING**Unit I:**

Management Accounting – Definition – Scope – Objectives – Advantages – Limitations.
Management Accounting versus Financial Accounting and Cost Accounting.

Unit II:

Interpretation of Financial Statements – Ratio Analysis – Inter firm and Intra firm comparison.

Unit III:

Budget and Budgetary Control – Functional Budgets leading to the preparation of master budget; capital expenditure budget, fixed and flexible budget responsibility accounting – Standard costing and variance analysis – material, labour and overheads, reporting of variances.

Unit IV

Marginal costing – break even Analysis, cost – Volume – Profit analysis, break even charts, contributing margin and various decision – making problems like make or buy, own or lease, retain or replace; repair or renovate, now or later; change versus status are slower or faster, sell or scrap or retain export versus local sale; shut – down or continue; expand or contract.

Unit V:

Capital Budgeting and techniques for evaluation of capital projects like pay back period, rate of return and discounted cash flow – techniques for control of capital budgeting – Risk – evaluation and Sensitivity Analysis, Simulation for risk evaluation. Measurement of cost of capital and determining rate of return for project decision. Concept of cost of capital and its application in capital budgeting decisions – Social cost and Social Benefit analysis of projects – Linear programming and capital budgeting decisions – Reporting to Management.

Unit VI:

Management of working capital – Management of cash and Marketable Securities – Motive for holding cash – Factors affecting cash balances – Cash velocity – Technique of expediting collection – concentration banking – Lock box system – Playing on the fleet – Investment characteristics. Management of Inventory – Inventory costs – Management of Accounts receivable – Credit Analysis – Fund low and Cash Flow Analysis.

Unit VII:

Dividend policy – Interrelationship of Dividend Rate, Share Prices, and Growth of a firm – Garden Model – Miller Modigliani Noel – Determinants of Dividend Policy – Working Capital Requirements and Form of Dividend – script Dividends – Debenture – Dividends – Stock Splits – Property Dividends – Bonus Shares – Depreciation Policy – including depreciation accounting for replacement cost – Management of Investment Portfolio.

Books recommended:

1. S. Nagarathnam - Management Accounting Financial Management and Holding Company Accounts (S. Chand & Co., New Delhi)
2. Mohammed Mohsin - Corporation Finance
Khan Masood Ahamand - (Tata McGraw – Hill Publishing Company Limited, New Delhi)

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| 3. Maheswari, S.N. | - Management Accounting |
| 4. John Myer | - Financial Statement Analysis |
| 5. Batty. J. | - Management Accounting |
| 6. Man Mohan & S.H. | - Management Accounting |
| 7. Matz Adolph, Cuny other
J. and Frank George to | - Cost Accounting |

SECOND YEAR
PAPER 2.1 BUSINESS ETHICS AND SOCIAL RESPONSIBILITY

Unit I:

Definition of Ethics – Relationship of ethics to organisation – ethical standards and religious Doctrines (Brotherhood, Covenant, Trusteeship, Grace) – Why Good ethics in Business – History of Business ethics – Application of the principle of Ethics.

Unit 2:

Human Ends – Responsibilities in a general sense – Types of Evils and Consequences – Proportionality Minor Evils or Physical Evils – Problems – Positive Obligation – Rights – Cooperation in Evils – Location of Responsibility – the Grey areas – Practical applications – Negative Obligations.

Unit 3:

Hiring and Firing – Preferential Hiring – Nepotism – special Problems – Promotions – Firing – Just Cause – Due process – The Obligations of Employees.

Unit 4:

Wages and working conditions – wages and income – Fair wages – Profit sharing – stability of work – Working condition – work or job satisfaction.

Health and safety of the customers – The fair sales contract – fraud, lying and deception – special problems in Advertising, packing and Labelling – the ethics of Buyers.

Unit 5:

Difficulties with the existing theories in pricing – unethical – cooperation and competition.

The myth of competition profits and social costs – Adhena to low – (creation licences, registration, etc.,)

The Union – Attitude towards the union – creation ethical – power shifts and values.

Unit 6:

Business and Society:

Social responsibilities of business – Evolution of concept – need and scope of social responsibility – Social responsibility towards various groups – responsibility towards share holders, employees, consumers, Government, Society, Social responsibility of business in India.

Social Audit – Concept – Objectives – Scope – need – features approaches – Social Audit in India.

Books recommended:

1. Robert D Hay - Introduction to Business (Holt, Rinehart and Winstonic)
2. Thomas M Garret - Business Ethics (The Times of India Press)
3. Keith Davis and William C. Frederick - Business and Society, Mc Graw Hill International Book Company
4. M.J. Comer - Corporate Fraud (Tata Mc Graw Hill)
5. Ralph Glasser - The New High Priesthood – the social, ethical and political implication of a marketing – Oriented society (Mac Millan)

Paper 2.2 ADVANCED CORPORATE ACCOUNTING

- I. Accounts of joint stock companies final Accounts – Balance sheet preparation – legal provisions for the preparation – of Profit & Loss Account Calculation on Net Profit.

Deceivable Profit – meaning – Transfer to reserves – declaration of dividend – Depreciation – Interest out of capital Tax adjustments – Bonus shares – Balance Sheet.
- II. Alteration of share capital – meaning and ways – Internal reconstruction – steps for reconstruction.
- III. Valuation of Goodwill and of share. Definition – Factors influencing & methods – yield method – Annuity methods – Net Assets method.
- IV. Amalgamation of Companies – Amalgamation Absorption.
- V. Holding company Accounts – Final Accounts of Holding companies & subsidiary co., consolidated Accounts – Balance sheet.
- VI. Accounts of banking companies, Functions – Accounting records. Profit & Loss Ac. & Balance sheet Terms in the Balance sheet.
- VII. Accounts of Insurance Companies
- VIII. Accounts of Co.op Societies.

PAPER 2.3 RESEARCH METHODOLOGY

- I. Meaning – Definitions, Objectives and qualities of good research Types of Research.
- II. Identification and formulation of Research problem
- III. Research Process
- IV. Research Design
- V. Formulation of Hypotheses
Collection of Data – Primary and Secondary – Merits and demerits – Sources of Secondary data – Methods of Collecting Primary data – Observation, Interview, Questionnaire – Schedule.
- VI. Sampling Methods & Techniques – Types – Advantages Limitations – Steps of Sampling – Sampling & Non- Sampling errors.
- VII. Data Analysis and interpretation – editing – coding and tabulation of research data.
- VIII. Research Reports – Style of reporting – essentials of a good research report – use of diagrams and graphs – Mechanics and format of a research report.
Books recommended:

Anderson, R.L	. Statistical Theory and Research
Bancraft, T.V	. Scientific Social surveys and Research Prentice Hall
Kothari, C.R.	- Research Methodology Methods & Techniques
Saravanavel	- Willey Eastern Limited, New Delhi Mahal, Allahabad

Paper 2.4 COST SYSTEM AND COST CONTROL

Unit: I

Organisations of the costing department and its integration with other departments – Installation of costing system and modification three forms and records – records required to be maintained under the companies Act use of mechanical aids for maintenance of cost records – Management Control and cost information system, performance reporting at various levels of management.

Unit 2:

Budget and Budgetary Control – Functions budgets leading to the preparation of master budget: capital expenditure budget, fixed and flexible budget: responsibility accounting – standard costing and variance analysis – material, labour and overheads reporting of variances.

Unit 3:

Marginal costing – break even analysis, cost – volume – report analysis, break even charts, contributing margin and various decision – making problems like make or buy, own or lease, retain, replace; repair or lease, retain or replace or renovate; now or later changes versus status quo; lower or faster; sell or scrap or retain; export versus local sale; shut down or continue; expand or contract.

Unit: 4

Cost determination as distinct from cost control – cost control and various techniques used for the same, control over wastage, scrap, spoilage and defectives, various techniques of cost reduction such as work study, time and motion study. Studies based on time and cost relationship, employee participation in cost reduction programmes and the significance of constituting special cost reduction sales for this purpose.

Unit 5:

Cost studies for management decisions, including product and production concessions, pricing decisions, marketing and distribution decisions, decision relating to product mix, inventory control, plant location, product development, competitive pricing, price differentials and discounts and pricing – marketing strategies.

Books recommended:

1. Hongrean, Charles, T : - Cost Accounting
A (Prentice Hall or India Ltd.) – Managerial Emphasis
2. Matz adopt, curry other I and - G Frank
George W. - Cost Accounting
3. N.K. Prasad - Principles and Finance
(Book Syndicate P. Ltd) - Accounting
4. V.K. Saxena and C.D. Vahist - Cost Accounting concepts and
Application
5. Johe Blocker and W. Keith Weltmer: - Cost Accounting Principles and
(Tate McGraw Hill Publishing Company) Practices
