3. **Cost of Capital:** Meaning and significance of cost of capital; Calculation of cost of debt, preference capital, equity capital and retained earnings; Combined cost of capital (weighted), Cost of equity and CAPM.

4. **Operating and Financing Leverage:** Measurement of leverages; Effects of operating and financial leverage on profit; Analysing alternate financial plans; Combined financial and operating leverage.

5. **Capital Structure Theories:** Traditional and M.M. hypotheses - without taxes and with taxes; Determining capital structure in practice.

6. **Dividend Policies:** Issues in dividend decisions, Walter's model, Gordon's model, M-M hypothesis, dividend and uncertainty, relevance of dividend; Dividend policy in practice; Forms of dividends; Stability in dividend policy; Corporate dividend behaviour.

7. **Management of Working Capital:** Meaning, significance and types of working capital; Calculating operating cycle period and estimation of working capital requirements; Financing of working capital and norms of bank finance; Sources of working capital; Commercial paper; Factoring services; Various committee reports on bank finance; Dimensions of working capital management.

8. **Management of cash, receivables and inventory.**

**REFERENCES**

3. **Chandra, Prasanna:** Financial management, Tata McGraw Hill, Delhi.

**THIRD SEMESTER.**

**M.C 3.1: COMPUTER APPLICATIONS IN BUSINESS**

**COURSE OBJECTIVE**

The objective of this course is to provide an understanding of computers, computer operating system and an application software in managerial decision making.

**COURSE INPUTS.**

1. **Computer Hardware:** Computer system as information processing system: Computer system differences - types of computer system, Hardware options- CPU, inputs devices, Output devices, storage devices.
communication devices, configuration of hard ware devices and their applications

2. **Personal Computers**: PC and its man components, Hardware configuration, CPU and Clock speed, RAM and secondary storage devices, other peripherals used with PC; factors influencing PC performance; PC as a virtual office.

3. **Modern Information technology**: Basic idea of local area networks (LAN) and Wide Area Network (WAN); E-mail; internet technologies, access devices, concept of world vide web and internet browsing : multimedia

4. **Introduction into Operation System**: Software needs, operating systems: application softwares, programming languages; Windows and UNIX; Windows- Window explorer, print manager, control Panel, Painbrush, calculator, desk top, my computer settings, find run etc.

5. **Word Processing**: Introduction and working with MS-Word in Ms -Office, Word basic commands; Formatting- test and documents; Sorting and tables; working with graphics; introduction to mail-merge.

6. **Spread Sheets**: working with Excel- formatting, functions, chart features; working with graphics in Excel; using worksheets as database in accounting, marketing, finance and personnel areas.

7. **Presentation with Power -Point**: Power point basics, creating presentations the easy way; working with graphics in power -point show time, sound effects and animation effects.

8. **Introduction to Lotus Smart Suite for Data Sheet Analysis**: Structure of spreadsheet and its applications to accounting, finance and marketing functions of business; Creating a dynamic/sensitive worksheet, concept of absolute and relative cell reference; Using various built in functions- mathematical, statistical logical and finance functions; Goal seeking and back solver tools, using graphics and formatting of worksheet, sharing date with other desktop applications strategies of creating error free worksheet.

9. **Introduction to Accounting Packages**: Preparation of vouchers, invoice and salary statements; maintenance of inventory records; maintenance of accounting books and final accounts; financial reports generation.

10. **Introduction to Statistical Packages**: Usage of Statistical packages for analyses in research as per the availability)
REFERENCES:

1. Date, C.J.; An Introduction to Database systems. Addison Wesley, Massachusetts.
2. Dienes, Sheila S Microsoft office, Professional for Windows 95; Instant Reference; BPB publication, Delhi.

MC3.2: CORPORATE LEGAL FRAMEWORK:

COURSE OBJECTIVES

The objective of this course is to provide the knowledge of relevant provisions of various law influencing business operations:

1. The Companies Act; 1956 (Relevant Provisions) Definition, types of companies; Memorandum of association; Articles of association; Prospectus; Share capital and membership; Meetings and resolutions; Managerial remuneration; Winding up and dissolution of companies.

2. The Negotiable Instruments Act, 1881: Definition, types, negotiation, holder and holder in due course, payment in due course, endorsement and crossing of cheque.

3. LEGAL ENVIRONMENT FOR SECURITIES MARKETS: SEBI Act, 1992 Organisation and objectives of SEBI; powers under securities Contract Regulation Act 1956 transferred to SEBI; Role if SEBI in controlling the security markets.


5. Regulatory Environment for International Business: FEMA Act, 1999; WTO-Regulatory framework of WTO, basic principles and its charter; WTO-provisions relation to preferential treatment to developing countries; Regional groupings, technical standards, anti-dumping duties and other NTBs; Custom valuation and dispute settlement; Trip and TRIMS.
REFERENCES:
2. Avadhani V.A.: SEBI Guidelines and listing of Companies, Himalaya
   Publishing House, Delhi.
6. Securities (Contract and Regulation) Act, 1956
   Trade practices. Eastern Book Co.
12. The Negotiable Instruments Act, 1881.

MC. 3.3: CORPORATE TAX PLANNING AND MANAGEMENT;

COURSE OBJECTIVE.

The main objective of this course is to make the students conversant with the concept
corporate tax planning and familiarize them with Indian tax laws and their
implications corporate management.

COURSE INPUTS:
1. **Introduction to Tax Management:** Concept of tax planning; Tax avoidance
   and tax evasion Corporate taxation and dividend tax.

2. **Tax planning for New Business:** Tax planning with reference to location,
nature and form organisation of new business.

3. **Tax Planning and Financial Management Decisions:** Tax Planning relating
to Capital structure decision, dividend policy, inter-corporate dividends and
bonus shares.

4. **Tax Planning and Managerial Decisions:** Tax planning in respect of own or
   lease, sale assets used for scientific research, make or buy
decisions; Repair, replace, renewal of renovation and shutdowner continue
decisions.

5. **Special Tax Provisions:** Tax provisions relation to free trade zones,
infrasctructure sector and backward areas; Tax incentives for exporters.
6. tax issues Relating to Annalagamation: Tax planning with reference to amalgamation companies.
7. Tax payment: Tax deductions and collection at source Advance payment of tax.

REFERENCES:
2. Circulars issued by C.B.D.T.
7. Singhania, V.K. Direct Taxes Planning and Management, Taxmann's Publication Delhi.

MC 34: STRATEGIC MANAGEMENT

COURSE OBJECTIVE:

The objective of this course is to enhance the decision making abilities of students in situations of uncertainty in the contest of dynamic environment.

COURSE INPUTS:

1. Concept of Strategy: Defining strategy, levels at which strategic operates; approaches to strategic decision making; Mission and purpose; objectives and goals; strategic business units (SBU); functional level strategies.
2. Environmental Analysis and diagnosis: Concept of environment and its components; Environment scanning and appraisal; Organisational appraisal; Strategic analysis and diagnosis.
3. Strategy Formulation and Choice of Alternatives: Strategies- modernization, diversification, integration; Merger, take over and joint strategies; Turnaround, divestment and liquidation strategies; kProces of strategic choice- industry, competitor and SWOT analysis; Factors on strategic choice; Generioc competitive strategies- cost leadership, differentiation, value chain analyses, benchmarking, service blue printing.
7. Strategy and Structure: Structural considerations, structures for strategies; Organisational design and change.
8. Strategy Evaluation: Overview of strategic evaluation; Strategic control; Technique of strategic evaluation and control.

REFERENCES: