

B.Com.(Finance) **Syllabus(CBCS)**

Semester – III & IV



FACULTY OF COMMERCE
SATAVAHANA UNIVERSITY
KARIMNAGAR - 505 002 T.G.

2025

Applicable to the batch of students admitted in the academic year 2025-2026 onwards)
B.Com.(Finance) (CBCS, FACULTY OF COMMERCE, SATAVAHANA UNIVERSITY, KARIMNAGAR (T.G.)

B.COM (Finance)
CBCS COURSE STRUCTURE

Sl.No.	Code	Course Title	HPW	Credits	Exam Hrs	Marks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
		SEMESTER – I				
1.	AEC1	English (First Language)	5	5	3 hrs	80U+20I
2.	SLS1	Second Language	5	5	3 hrs	80U+20I
3.	MJR101	Financial Accounting-I	5	5	3 hrs	80U+20I
4.	MJR102	Business Organization and Management	5	5	3 hrs	80U+20I
5.	MJR103	Indian Financial System	5	5	3 hrs	80U+20I
		Total	25	25		
		SEMESTER – II				
6.	AEC2	English (First Language)	5	5	3 hrs	80U+20I
7.	SLS2	Second Language	5	5	3 hrs	80U+20I
8.	MJR201	Financial Accounting-II	5	5	3 hrs	80U+20I
9.	MJR202	Business Laws	5	5	3 hrs	80U+20I
10.	MJR203	Fundamentals of Financial Management	5	5	3 hrs	80U+20I
		Total	25	25		
		SEMESTER – III				
11.	AEC3	English (First Language)	5	5	3 hrs	80U+20I
12.	SLS3	Second Language	5	5	3 hrs	80U+20I
13.	MJR301	Advanced Accounting	5	5	3 hrs	80U+20I
14.	MJR302	Business Statistics-I	5	5	3 hrs	80U+20I
15.	MJR303	Security Analysis	5	5	3 hrs	80U+20I
		Total	25	25		
		SEMESTER – IV				
16.	AEC4	English (First Language)	5	5	3 hrs	80U+20I
17.	SLS4	Second Language	5	5	3 hrs	80U+20I
18.	MJR401	Corporate Accounting	5	5	3 hrs	80U+20I
19.	MJR402	Business Statistics-II	5	5	3 hrs	80U+20I
20.	MJR403	Portfolio Management	5	5	3 hrs	80U+20I
		Total	25	25		
		SEMESTER – V				
21.	MJR501	a) Personal Finance/ b) Block-chain Technology/ c) International Finance	5	5	3 hrs	80U+20I
22.	MJR502	a) Business Ethics and Corporate Governance/ b) Auditing c) Financial Statements Analysis	5	5	3hrs	80U+20I
23.	MDC503 (Offered to other students)	a) Introduction Accounting b) Principles of Management	4	4	3 hrs	80U=20I

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24.	SEC1	a) Communication Skills/ b) Professional Development Skills c) Entrepreneurship & Startups	2	2	2 hrs	40U+10I
25.	SEC2	a) Professional Development Skills/ b) Communication Skills/ c) Entrepreneurship & Startups	2	2	2 hrs	40U+10I
26.	VAC1	a) Environmental Science/ b) Cyber Security & Laws	3	3	2 hrs	40U+10I
		Total	21	21		
		SEMESTER – VI				
27.	MJR601	a) Financial Derivatives / b) Behavioral Finance / c) Data Mining and Business Intelligence	5	5	3 hrs	80U+20I
28.	MJR602	a) Theory and Practice of GST b) Fin-tech Services/ c) Financial Analytics /	5 (3T+4P)	5	3 hrs	50T+35P+ 15I/ 80U+20I
29.	RMP603	Research Methodology/ Internship/Project Report	2T+4PR 4	4	2 hrs	^{40U+10I} 25R+15IS+10VV
30.	SEC3	a) Fundamentals of AI Tools/ b) Ability Skills (Competitive Mathematics)	2	2	2 hrs	40U+10I
31.	SEC4	a) Computerized Accounting b) E-filing of Tax Returns	2	2	2 hrs	40U+10I
32.	VAC2	a) Cyber Security & Laws/ b) Environmental Science	3	3	2 hrs	40U+10I
		Total	21	21		
		GRAND TOTAL	142	142		

THPW: Teaching Hour Per Week; ESED: End Semester Exam Duration AEC: Ability Enhancement Course; SLS: Second Language Skill; SEC: Skill Enhancement Course; MJR: Major Course ; VAC: Value Added Course; MDC: Multi-disciplinary Course; T: Theory; P: Practical; I: Internal Exam U: University Exam; RMP: Research Methodology & Project Report; PR: Project Report; IS: Internship; VV: Viva-Voce Examination.

Note: If a student opts for “a” in SEC in V Semester, the student has to opt for “a’ only in VI Semester and so is the case with “b” and “c” in the case of Major/MDC papers also the rule applies.

SUMMARY OF CREDITS

Sl. No.	Course Category	No. of Courses	Credits Per Course	Credits
1	AEC (English Language)	4	5	20
2	Second Language	4	5	20
3	SEC	4	2	8
4	VAC	2	3	6
5	MDC	1	4	4
6	RMP	1	4	4
7	MJR	16	5	80
	TOTAL	32		142
	Commerce	18	Commerce	86
CREDITS UNDER NON-CGPA		NSS/NCC/Sports/Extra Curricular	Up to 6 (2 in each year)	
		Summer Internship	Up to 4 (2 in each after I & II years)	

SEMESTER - III

Paper MJR 301: ADVANCED ACCOUNTING

PAPER CODE: MJR 301

Max. Marks: 80U +20I=100

THPW: 5; Credits: 5

ESED: 3 hrs

Objective: To enable undergraduate students to acquire comprehensive, advanced accounting knowledge concerning partnership frameworks and joint stock companies. The course is structurally aligned with professional accounting standards in India, preparing students to handle complex partnership transitions, manage corporate equity and debt issuances, and construct company final accounts under Schedule III of the Companies Act, 2013.

Course Objectives:

1. Understand partnership accounting for operational changes and ownership transitions
2. Apply accounting procedures for dissolution, insolvency, and corporate conversion of firms
3. Analyze corporate equity and debt structure including shares and debentures
4. Prepare company final accounts as per statutory requirements
5. Apply valuation techniques for goodwill and shares

Course Outcomes:

1. Record partnership transactions including admission, retirement, death, and adjustments of capital
2. Prepare accounts for dissolution of firms, including insolvency and piecemeal distribution using Garner vs. Murray rule
3. Account for issue, forfeiture, and re-issue of shares and debentures per Companies Act, 2013
4. Prepare Company Final Accounts with Schedule III compliance and allocate profits prior to incorporation
5. Compute goodwill and share values using Average Profits, Super Profits, Capitalization, Net Assets, and Yield methods

UNIT - I: PARTNERSHIP ACCOUNTS - I (OPERATIONAL & OWNERSHIP TRANSITIONS):

Foundations of Partnership: Meaning, Legal Framework of the Indian Partnership Act, 1932; Essential clauses and significance of a Partnership Deed; Maintenance of Capital Accounts — Fixed Capital Method vs. Fluctuating Capital Method; Accounting for Interest on Capital, Interest on Drawings, Salaries, and Commission to partners.

Admission of a Partner: Calculation of New Profit Sharing Ratio and Sacrificing Ratio; Treatment of Goodwill (Premium Method, Revaluation Method, and Memorandum Revaluation Method); Valuation and accounting treatment of accumulated profits, unrecorded assets, reserves, and revaluation of assets and liabilities; Adjustment of Partner Capitals based on new ratios.

Retirement and Death of a Partner: Calculation of New Profit Sharing Ratio and Gaining Ratio; Revaluation of assets/liabilities and treatment of goodwill upon retirement; Accounting treatment for the transfer of a retiring partner's balance to a Loan Account; Accounting for the Death of a Partner: Computation of a deceased partner's share of profit up to the date of dissolution (Excluding Joint Life Policy calculations) (*Theory and Numericals*).

UNIT - II: PARTNERSHIP ACCOUNTS - II (DISSOLUTION, INSOLVENCY & CORPORATE CONVERSION):

Dissolution of Partnership Firms: Meaning and Legal distinction between the dissolution of a partnership and the dissolution of a firm; Statutory provisions for the settlement of accounts upon dissolution (Section 48 of the Indian Partnership Act); Preparation of Realisation Account, Partner's Loan Account, Partner's Capital Accounts, and Cash/Bank Account.

Insolvency of Partners: Advanced application of the **Garner vs. Murray rule** (Distribution of capital deficiency caused by insolvency among solvent partners); Accounting treatment excluding the case of insolvency of all partners simultaneously.

Piecemeal Distribution & Corporate Sale: Piecemeal distribution of cash assets to partners during gradual liquidation (Maximum Loss Method and Surplus Capital Method); Conversion and sale of an ongoing partnership firm to a Limited Joint Stock Company — Computation of Purchase Consideration and final closing books of accounts of the firm (*Theory and Numericals*).

UNIT - III: CORPORATE EQUITY, DEBT ARCHITECTURE & SHARE CAPITAL LOGISTICS:

Issue of Shares: Overview of the Share Capital structure of corporate entities; Accounting mechanics for the issue of equity and preference shares at Par and Premium; Strict compliance with Section 52 of the Companies

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Act, 2013 regarding the statutory utilization of the Securities Premium Account; Pro-rata allotment mechanics, handling of calls-in-arrears and calls-in-advance.

Forfeiture & Capital Optimization: Accounting for the Forfeiture of shares and the Re-issue of forfeited shares under varied conditions; Deletion of discount issuances as per Section 53.

Debentures & Capital Reserve Allocations: Issue of Debentures — Accounting entries for the issue of debentures with explicit conditions of redemption (at par, premium); Underwriting of Shares and Debentures: Statutory provisions, determining underwriters' absolute and contingent liabilities (Gross, Net, and Marked applications); Bonus Shares: Meaning, Purpose, SEBI Guidelines for bonus issues, sources of capitalization, and accounting entry design (*Theory and Numericals*).

UNIT - IV: COMPANY FINAL ACCOUNTS & PRE-INCORPORATION RESTRUCTURING:

Company Final Accounts Framework: Structure and statutory mandates of the **Companies Act, 2013**; Thorough analysis and application of **Schedule III (Division I)**; General instructions, formats, and structural protocols for the presentation of the Corporate Balance Sheet (Part-I) and the Statement of Profit and Loss (Part-II).

Corporate Financial Reporting: Preparation of standard corporate Final Accounts including comprehensive modern adjustments (Current Corporate Tax provisions, Transfer to statutory Reserves, Managerial Remuneration adjustments, and Dividend Distribution constraints).

Profits Prior to Incorporation: Conceptual understanding of pre-incorporation and post-incorporation trading horizons; Principles governing the allocation of income and expenses between pre- and post-incorporation phases using Time Basis, Turnover Basis, and Specific Weighted Allocation methods; Accounting treatment and balance sheet presentation of pre-incorporation profits/losses (*Theory and Numericals*).

UNIT - V: VALUATION OF GOODWILL AND SHARES:

Valuation of Goodwill: Meaning, features, and corporate/regulatory circumstances necessitating the valuation of goodwill; Comprehensive methods of calculation: Average Profits Method (Simple and Weighted), Super Profits Method, and Capitalization Methods (Capitalization of Average Profits vs. Capitalization of Super Profits).

Valuation of Shares: Fundamental corporate needs for share pricing and asset valuation; Analytical methods of share valuation: Net Assets Method (Intrinsic Value factoring revalued assets), Yield Basis Method (Earning Capacity and Dividend Yield), and Fair Value Method; Interpreting valuation discrepancies between asset-backed and earning-backed assessment models (*Theory and Numericals*).

SUGGESTED READINGS:

1. Principles and Practice of Accounting: R.L. Gupta & V.K. Gupta, Sultan Chand & Sons.
2. Advanced Accounting: S.P. Jain & Narang, Kalyani Publishers, Reprinted 2025.
3. Advanced Accountancy: R.L. Gupta & Radhaswamy, Sultan Chand & Sons.
4. Advanced Accounting: Prof. Kamatam Srinivas, S Publishers, .
5. Advanced Accountancy (Vol-II): S.N. Maheshwari & V.L. Maheshwari, Vikas.
6. Advanced Accountancy: Dr. G. Yogeshwaran, Julia Allen - PBP
7. Accountancy–III: Tulsian, Tata McGraw Hill Co.
8. Advanced Accountancy: Arulanandam; Himalaya.
9. Advanced Accountancy–II: S.P. Jain & K.L. Narang, Kalyani Publishers.
10. Advanced Accounting: Sumera Anwar, B. Sunitha, Y. Venkat Reddy SV Publications, First Edition.
11. Guidance Note on the Revised Schedule VI to the Companies Act, 1956, The Institute of Chartered Accounts of India.
12. Advanced Accounting (IPCC): D. G. Sharma, Tax Mann Publications.
13. Advanced Accountancy: BM Agarwal and MP Gupta, Sultan Chand and Son's Volume -1&2, New Delhi

SEMESTER - III

Paper MJR 302: BUSINESS STATISTICS -I

PAPER CODE: MJR 302

Max. Marks: 80U +20I=100

THPW: 5; Credits: 5

ESED: 3 hrs

Objective: To inculcate analytical and computational ability among the students.

Course Objectives:

1. Understand basic statistical concepts and methods of data collection
2. Organize and present data using classification, tabulation, diagrams, and graphs
3. Compute and interpret measures of central tendency for different data series
4. Analyze dispersion and shape of distributions using various statistical measures
5. Construct and apply index numbers for economic and business analysis

Course Outcomes:

1. Plan statistical investigations and collect primary and secondary data with awareness of errors
2. Classify, tabulate, and present data using bar diagrams, histograms, frequency curves, and other tools
3. Calculate and compare Mean, Median, Mode, Geometric Mean, and Harmonic Mean across individual, discrete, and continuous series
4. Measure dispersion using Range, Quartile Deviation, Mean Deviation, Standard Deviation, Coefficient of Variation, and interpret skewness and kurtosis
5. Construct index numbers using Laspeyres', Paasche's, and Marshall-Edgeworth methods, and apply tests of adequacy, base shifting, splicing, and deflating

UNIT I: INTRODUCTION, DATA ORGANIZATION AND PRESENTATION:

Meaning and scope of statistics. Importance and limitations of statistics in business and commerce; Statistical investigation: Planning of a statistical enquiry. Sources of data – primary and secondary data. Methods of collecting data. Census and sampling methods. Errors in statistical investigation and approximation; Organization of data: Classification and tabulation of data. Frequency distribution and grouped frequency tables; Diagrammatic and graphical presentation of data: Bar diagrams, component bar diagrams, pie diagrams and line graphs. Histograms, frequency polygon and frequency curve. Interpretation of statistical diagrams and graphs.

UNIT II: MEASURES OF CENTRAL TENDENCY:

Definition and types of data: Individual series, discrete series and continuous series; Meaning and importance of measures of central tendency; Arithmetic Mean – computation for individual, discrete and continuous series. Combined mean, Weighted Mean; Geometric Mean and Harmonic Mean – meaning, computation and applications.

Partition values – Median , Quartiles, Deciles and Percentiles, and Mode – calculation for different series and graphical location; Comparison of averages – advantages and limitations of different measures of central tendency.

UNIT III: MEASURES OF DISPERSION:

Meaning and significance of dispersion. Characteristics of a good measure of dispersion. Absolute and relative measures of dispersion. Measurement of dispersion through Range, Quartile Deviation, Mean Deviation and Standard Deviation – computation and applications for individual, discrete and continuous series; Relative measures of dispersion – Coefficient of Range, Coefficient of Quartile Deviation and Coefficient of Mean Deviation. Combined Standard Deviation – computation and applications; Applications of dispersion in business and economic analysis. Advantages and limitations of various measures of dispersion.

UNIT IV: RELATIVE DISPERSION AND SHAPE OF DISTRIBUTION:

Coefficient of Variation: Meaning and significance, Relative measure of dispersion, Computation and interpretation, Comparison of consistency and stability of two or more series; Lorenz Curve: Meaning and significance, Construction of Lorenz Curve, Measurement of inequality and concentration, Applications in income, wealth and market-share analysis; Skewness: Meaning and significance, Symmetrical and asymmetrical distributions, Positive and negative skewness, Karl Pearson's Coefficient of Skewness, Bowley's Coefficient of Skewness, Interpretation and applications; Kurtosis: Meaning and significance, Types of kurtosis, Interpretation of kurtosis in statistical analysis.

UNIT V: INDEX NUMBERS:

Meaning and importance of index numbers in economic and business analysis. Uses and limitations of index numbers; Problems in the construction of index numbers; Methods of constructing index numbers: Simple index numbers and weighted index numbers – Laspeyres', Paasche's and Marshall–Edgeworth methods; Tests of adequacy of index numbers – Unit test, Time Reversal test and Factor Reversal test, Base shifting, splicing and deflating of index numbers.

SUGGESTED READINGS:

1. Statistics for Management: Levin & Rubin, Pearson
2. Fundamentals of Statistics: Gupta S.C, Himalaya
3. Business Statistics: Arun Kumar Singh, Kalyani Publishers, First Edition-2017
4. Business Statistics: S. L Aggarwal, S. L. Bhardwaj, Kalyani Publications
5. Statistics: E. Narayanan Nadar, PHI Learning
6. Business Statistics-I: Dr. Padmaja, K.Kamakshi SV Publications, First Edition
7. Business Statistics –I: Dr. Obul Reddy, Dr. D. Shridevi - PBP
8. Business Statistics: Dr. J. K. Thukral, Taxmann Publications
9. Business Statistics –I: Dr. Prashanta Athma, N. Rajyalaxmi – SIA Publishers & Distributors Pvt. Ltd.
10. Business Statistics: K. Alagar, Tata McGraw Hill
11. Fundamentals of Statistical: S. P Gupta, Sultan Chand
12. Business Statistics: J. K. Sharma, Vikas Publishers
13. Business Statistics- 1: Dr. Nazia Sultana, S Publishers
14. Statistics-Problems and Solutions: Kapoor V.K, S. Chand
15. Statistics - Theory, Methods and Applications: Sancheti D.C. & Kapoor V.K
16. Business Statistics: S. K. Chakravarty, New Age International Publishers
17. Statistics for Business & Economics: Anderson, Sweeney, Williams, Cengage.

SEMESTER - III

MJR 303:SECURITY ANALYSIS

PAPER CODE: MJR 303
THPW: 5; Credits: 5

Max. Marks: 80U +20I=100
ESED: 3 HRS

Course Objectives:

- 1) To provide students with a foundational understanding of investment concepts and financial markets.
- 2) To develop knowledge of risk and return and their role in investment decision-making.
- 3) To introduce techniques of analyzing securities using fundamental and technical approaches.
- 4) To enable students to evaluate financial performance of companies using basic financial tools.
- 5) To familiarize students with valuation concepts for equity and debt instruments.

Course Outcomes:

- 1) Familiarization with Investment Principles and Process of investment
- 2) Assess the Economic, Industry and Company Analysis
- 3) Determine the technical analysis using various theories
- 4) Knowledge about Share valuation approach
- 5) Knowledge about valuation of Bond return and Bond risk

UNIT I: INVESTMENT ENVIRONMENT AND FINANCIAL MARKETS:

Meaning, Objectives and Process of Investment; Investment vs Speculation vs Arbitrage; Investment Avenues; Factors Affecting Investment Decisions; Investor Behaviour and Emerging Trends; Financial Instruments: Money Market, Capital Market and Derivatives; Primary and Secondary Markets; Stock Exchanges in India and Market Indices; Digital Investment Ecosystem: Demat Accounts and Online Trading; Investor Protection and Regulatory Framework (SEBI)

UNIT II: RISK AND RETURN ANALYSIS:

Meaning and Importance of Return; Holding Period Return; Average Return and Expected Return; Concept and Types of Risk; Sources of Risk; Measurement of Risk; Risk-Return Trade-off; Risk Premium; Investor Risk Preferences: Risk Averse, Risk Neutral and Risk Seeking; **Simple Problems:** Holding Period Return, Expected Return, Risk Measurement.

UNIT III: SECURITY ANALYSIS TECHNIQUES:

Fundamental Analysis: Concept and Scope; Economic Analysis: GDP, Inflation, Interest Rates, Fiscal and Monetary Policy; Industry Analysis: Industry Life Cycle and Porter's Five Forces; Company Analysis: Financial Statement Analysis, Ratio Analysis: Profitability, Liquidity and Leverage; Earnings Quality and Red Flags; Introduction to Cash Flow Analysis; Basic Valuation Indicators: EPS, P/E Ratio, Book Value and Intrinsic Value; **Technical Analysis:** Meaning, Objectives and Assumptions and limitations; Dow Theory; Trend Analysis; Charting Techniques: Line, Bar and Candlestick Charts; Trends, Support and Resistance; Volume Analysis, Moving Averages; RSI; Trading Signals; **Market Efficiency:** Introduction to Efficient Market Hypothesis; Weak, Semi-Strong and Strong Forms

UNIT IV: EQUITY VALUATION:

Concept and Importance of Equity Valuation; Intrinsic Value and Market Value; Factors Affecting Share Prices; Time Value of Money; Holding Period Return; Dividend Discount Models, Constant Growth Model; Multiple Growth Model; Discount Rate; Multiplier Approach to Share Valuation; (Simple problems)-Introduction to EV/EBITDA(concept only).

UNIT V: BOND VALUATION AND CREDIT RATING:

Bond Valuation: Meaning and Features of Bonds; Types of Bonds; Bond Terminology; Bond Yield Techniques; Bond Duration(only concept); Bond Price and Bond Price Theorems; Bond Risks; Bond Management Strategies. Simple Problems on Bond Valuation Techniques; **Credit Rating:** Meaning and Importance of Credit Rating, Credit Rating Process, Credit Rating Agencies in India: CRISIL, ICRA, CARE Ratings; Rating Symbols and Interpretation.

SUGGESTED READINGS:

- 1) Bhalla V. K., Investment Management, Sultan Chand & Sons.
- 2) Dhanesh Kumar Khatri, Investment Management, Trinity.
- 3) Security Analysis: Prof. Kamatam Srinivas: Kalyani Publishers, 2025
- 4) Donald E Fischer and Ronald J Jordan, Security Analysis and Portfolio Management, Pearson.
- 5) Kevin S., Security Analysis and Portfolio Management, PHI.
- 6) Security Analysis and Portfolio Management, Shashi K Gupta, Kalyani Publishers, Year of Publication: 2005, Seventh Revised Edition.
- 7) Portfolio Management: Prof Kamatam Srinivas, Kalyani Publishers, First Edition.
- 8) Prasanna Chandra, Investment Analysis and Portfolio Management, Tata McGraw.
- 9) Preeti Singh, Investment Management, Himalaya Publishing House.
- 10) Ranganatham M. & Madhumathi R., Security Analysis and Portfolio Management, Pearson.
- 11) Reilly and Brown, Analysis of Investments & Management of Portfolios, Cengage Learning.
- 12) Rustagi R.P., Investment Analysis and Portfolio Management, Sultan Chand & Sons.
- 13) Shashi K. Gupta and Rosy Joshi. Security Analysis and Portfolio Management, Kalyani Publishers.

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SEMESTER - IV

Paper MJR401: CORPORATE ACCOUNTING

PAPER CODE: MJR 401

Max. Marks: 80U +20I=100

THPW: 5; Credits: 5

ESED: 3 hrs

Objective: To provide an advanced understanding of corporate accounting procedures in accordance with current Accounting Standards (AS) and Indian Accounting Standards (Ind AS). The course aims to equip students with the expertise required for complex corporate restructuring, regulatory reporting for specialized sectors (Banking and Insurance), and corporate insolvency resolution.

Course Objectives:

1. Understand corporate insolvency, liquidation procedures, and IBC, 2016 framework
2. Apply accounting standards for amalgamation, absorption, and external reconstruction as per AS-14
3. Examine internal reconstruction schemes and accounting for business acquisitions
4. Prepare financial statements of banking companies per Banking Regulation Act, 1949
5. Understand insurance accounting and compute claims for loss of stock and loss of profit

Course Outcomes:

1. Prepare Statement of Affairs, Deficiency Account, and Liquidator's Final Statement of Account with order of payment
2. Compute purchase consideration and pass journal entries for amalgamation under Pooling of Interest and Purchase methods
3. Account for capital reduction and prepare post-reconstruction balance sheets under Section 66 of Companies Act, 2013
4. Prepare Form A and Form B for banking companies, including treatment of NPA, income recognition, and rebate on bills discounted
5. Prepare Revenue Account and Balance Sheet for life and general insurance, and compute insurance claims with Average Clause

UNIT-I: CORPORATE INSOLVENCY & LIQUIDATION:

Regulatory Framework: The Insolvency and Bankruptcy Code (IBC), 2016 (brief overview); Modes of Winding Up.

Liquidator's Mechanics: Statement of Affairs, Deficiency/Surplus Account; Classification of Creditors (Secured, Preferential, Unsecured); Order of Payment.

Accounting Treatment: Liquidator's Remuneration; Preparation of Liquidator's Final Statement of Account; Distribution of surplus to contributories (*Theory and Numericals*).

UNIT-II: AMALGAMATION, ABSORPTION & EXTERNAL RECONSTRUCTION (AS-14): Conceptual

Framework: Distinguishing between Amalgamation in the nature of Merger and Amalgamation in the nature of Purchase (AS-14).

Purchase Consideration: Advanced methods of calculating consideration (Lump Sum, Net Assets, and Net Payment methods).

Accounting Treatment: Pooling of Interest Method vs. Purchase Method; Journal entries in the books of the Transferor Company (closing entries) and Transferee Company (incorporation entries); Treatment of inter-company holdings, unrealized profits, and debenture conversion (*Theory and Numericals*).

UNIT-III: INTERNAL RECONSTRUCTION & CORPORATE ACQUISITION:

Internal Reconstruction: Statutory provisions (Section 66 of the Companies Act, 2013); Accounting for Capital Reduction (Reduction of Share Capital, Alteration of Share Capital); Preparation of Reconstruction Schemes and post-reconstruction Balance Sheets.

Acquisition of Business: Business combinations; Accounting when new books are opened versus when original books are continued; Accounting for debtors/creditors taken over; Vendor's account adjustments and goodwill/capital reserve computation (*Theory and Numericals*).

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UNIT-IV: FINANCIAL REPORTING OF BANKING COMPANIES:

Regulatory Environment: Banking Regulation Act, 1949; Classification of Advances: Performing vs. Non-Performing Assets (NPA) and Income Recognition norms.

Accounting Mechanics: Slip system of posting; Rebate on Bills Discounted (accounting and provision); Preparation of Final Accounts in the prescribed

Form A and Form B (Profit & Loss Account and Balance Sheet); Asset Classification and Provisioning requirements (*Theory and Numericals*).

UNIT-V: INSURANCE ACCOUNTING & CLAIMS:

Life Insurance: Meaning, regulatory compliance (IRDAI); Preparation of Revenue Account, Net Revenue Account, and Balance Sheet; Valuation Balance Sheet; Determination of Net Surplus and its distribution.

General Insurance: Fire and Marine insurance accounting; Preparation of Revenue accounts for various sub-segments.

Insurance Claims: Computation of claims for Loss of Stock (including Average Clause and abnormal items) and Loss of Profit (Consequential Loss policies) (*Theory and Numericals*).

SUGGESTED READINGS:

- 1) Advanced Accountancy (Vol-II): S.N.Maheshwari&V.L.Maheswari, Vikas.
- 2) Accountancy–III: Tulsian, Tata McGraw Hill Co.
- 3) Corporate Accounting: S.P. Jain & Narang: Kalyani Publishers, Second Revised Edition, Year of Publication: 2018.
- 4) Advanced Accountancy: Arulanandam; Himalaya
- 5) Advanced Accountancy–II: S.P. Jain & K.L Narang, Kalyani Publishers
- 6) Advanced Accounting (Vol-II): Chandra Bose, PHI
- 7) Advanced Accountancy: Shukla and Grewal, S.Chand& Co.
- 8) Advanced Accountancy: R.L.Gupta&Radhaswamy, Sultan Chand & Sons
- 9) Corporate Accounting: Sakshi Vasudeva, Himalaya.
- 10) Corporate Accounting: K. Phani Chakravarthy, Y.Venkat Reddy, SV Publications First Edition
- 11) Corporate Accounting: Volume 2 BM Agarwal and MP Gupta, Sultan Chand and Son's, New Delhi.

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B.Com.(Finance) (CBCS)

FACULTY OF COMMERCE,OU

SEMESTER - IV

Paper MJR 402: BUSINESS STATISTICS - II

PAPER CODE: MJR 402

Max. Marks: 80U + 20I=100

THPW: 5; Credits: 5

ESED: 3 hrs

Objective: *To inculcate analytical and computational ability among the students.*

Course Objectives:

1. Understand correlation concepts and methods to measure relationships between variables
2. Apply regression analysis for estimation, prediction, and business forecasting
3. Analyze time series data and measure trend and seasonal variations
4. Understand probability theory, laws, and their application in decision making
5. Examine probability distributions and their use in business and economic analysis

Course Outcomes:

1. Compute and interpret Karl Pearson's and Spearman's correlation, covariance, and coefficients of determination
2. Derive regression equations, estimate regression coefficients, and use standard error of estimate for forecasting
3. Measure trend using graphic, semi-averages, moving averages, and least squares methods, and compute seasonal variations
4. Apply addition and multiplication theorems, conditional probability, and Bayes' Theorem to business problems
5. Fit and apply Binomial, Poisson, and Normal distributions, and use Central Limit Theorem for practical analysis

UNIT I: CORRELATION:

Meaning and types of correlation – positive, negative, simple, multiple, partial, linear and non-linear correlation. Correlation and causation. Methods of studying correlation: Scatter diagram, Concurrent Deviation Method, Karl Pearson's coefficient of correlation and Spearman's rank correlation coefficient. Covariance and its relationship with Correlation. Standard error and probable error of the coefficient of correlation. Coefficient of determination, coefficient of non-determination and coefficient of alienation. Interpretation, applications and limitations of correlation in business and economic analysis.

UNIT II: REGRESSION ANALYSIS:

Meaning and significance of regression analysis. Difference between correlation and regression. Types of regression – linear and non-linear regression. Lines of regression – regression line of Y on X and regression line of X on Y; Regression equations and regression coefficients – derivation of regression equations, estimation of regression coefficients, properties of regression coefficients, and relationship between correlation coefficient and regression coefficients. Standard Error of Estimate – meaning, computation and interpretation. Prediction and forecasting using regression equations. Applications of regression analysis in business and economic decision-making. Limitations of regression analysis.

UNIT III: TIME SERIES ANALYSIS:

Meaning and importance of time series in business and economic analysis. Components of time series – Trend, Seasonal, Cyclical and Irregular Variations; Measurement of Trend: Graphic Method, Semi-Averages Method (for even and odd number of years/periods), Moving Averages Method (3-year, 4-year, 5-year and 7-year moving averages; centering of moving averages where necessary); Least Squares Method (Linear Trend); Measurement of Seasonal Variations: Simple Averages Method, Ratio-to-Moving Average Method, Link Relative Method, Applications, Uses and Limitations of Time Series Analysis in business and economic studies.

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UNIT IV: PROBABILITY THEORY:

Meaning and importance of probability. Random experiments, sample space and events. Types of events – simple and compound events, mutually exclusive events, collectively exhaustive events and independent events. Basic concepts of set theory relevant to probability. Approaches to probability – classical, empirical and subjective approaches; Laws of probability – Addition Theorem and Multiplication Theorem. Conditional probability and Bayes' Theorem. Applications of probability in business and decision-making.

UNIT V: PROBABILITY DISTRIBUTIONS:

Binomial Distribution: Assumptions and characteristics, Properties of Binomial Distribution, Computation of probabilities, Fitting of Binomial Distribution; Poisson Distribution: Assumptions and characteristics, Properties of Poisson Distribution, Computation of probabilities, Fitting of Poisson Distribution; Normal Distribution: Characteristics and properties of Normal Distribution, Standard Normal Distribution, Computation of probabilities using Normal Distribution tables, Applications of Normal Distribution in business and economics, Central Limit Theorem – concept and significance.

SUGGESTED READINGS:

1. Statistics for Management: Levin & Rubin, Pearson,
2. Fundamentals of Statistics: Gupta S.C, Himalaya
3. Business Statistics II: Arun Kumar Singla, Kalyani Publishers, Year of Publication: 2018, Reprinted 2025.
4. Business Statistics: Theory & Application, P. N. Jani, PHI Learning
5. Business Statistics II: S. L Aggarwal, Kalyani Publications.
6. Business Statics – II: Dr. OBul Reddy, Dr. D. Shridevi - PBP
7. Business Statistics: Dr. J. K. Thukral, Taxmann Publications
8. Business Statistics –II: Dr. Prashanta Athma, N. Rajyalaxmi – SIA Publishers & Distributors Pvt. Ltd.
9. Business Statistics: K. Alagar, Tata Mc Graw Hill
10. Statistical Methods: S. P Gupta, Sultan Chand
11. Business Statistics: J. K. Sharma, Vikas Publishers
12. Business Statistics: Vora, Tata Mc Graw Hill
13. Statistics-Problems and Solutions: Kapoor V.K, S. Chand
14. Statistics-Theory, Methods and Applications: Sancheti D.C. & Kapoor V.K
15. Business Statistics: S. K. Chakravarty, New Age International Publishers
16. Business Statistics-G.Laxman, Vasudeva Reddy, K.Goud, Taxmann Publications, Hyderabad.
17. Business Statistics-II: Dr. Nazia Sultana, S Publishers
18. Business Statistics-II: S. Bhagya Laxmi, Gampala Sudhakar, SV Publications, First Edition

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SEMESTER - IV

MJR403:PORTFOLIO MANAGEMENT

PAPER CODE: MJR 403

THPW: 5; Credits: 5

Max. Marks: 80U +20I=100

ESED: 3 HRS

Course Objectives

- 1) To evaluate the Risk and Return analysis
- 2) To understand traditional and modern portfolio analysis.
- 3) To evaluate portfolio risk, portfolio return and reduce the quantum of risk by diversification.
- 4) To elucidate the process of portfolio selection and application of Sharpe's single index model and CAPM
- 5) To expound the portfolio evaluation and portfolio revision

Course Outcomes

- 1) Assess value of Stock return and measure the systematic and unsystematic Risk
- 2) Relate traditional and modern portfolio theory
- 3) Analyse the portfolio risk and return and diversification of securities to reduce the risk of portfolio
- 4) Build efficient set of Portfolios using Sharpe's single index model and CAPM model
- 5) Assess the performance of portfolio by evaluation and revision

UNIT I: INTRODUCTION TO PORTFOLIO MANAGEMENT:

Portfolio Management: Meaning, objectives, and importance; Portfolio vs individual investment; Portfolio management process; Functions of portfolio managers; Types of portfolio management (active vs passive); Investment constraints (risk tolerance, liquidity, time horizon, tax); Role of Securities and Exchange Board of India (SEBI) in portfolio management, Concept of Investment Policy Statement

UNIT II: PORTFOLIO RISK AND RETURN:

Portfolio Risk and Return: Expected return of a portfolio, Measurement of portfolio risk, Covariance and correlation, Diversification and risk reduction, Systematic and unsystematic risk (portfolio context), Beta of a portfolio; Introduction to Capital Asset Pricing Model (CAPM): Assumptions, Security Market Line (SML), Identification of undervalued and overvalued securities, Risk Free rate and market return.

UNIT III: MODERN PORTFOLIO THEORY:

Modern Portfolio Theory, Diversification, Efficient frontier (concept and interpretation), Minimum variance portfolio (concept and importance), Optimal portfolio selection, Diversification principles, Capital Market Line (CML), Security Market Line (SML), CML vs SML, Relationship between risk-free asset and market portfolio, Sharpe's Single Index Model, Sharpe's Optimum Portfolio Construction.

UNIT IV: PORTFOLIO CONSTRUCTION, SELECTION & REVISION:

Portfolio Construction: Asset allocation strategies, Portfolio construction techniques, Active vs passive portfolio strategies; Portfolio revision methods: Constant ratio plan, Constant rupee value plan; Portfolio rebalancing, Market timing vs Buy-and-Hold strategy, Behavioral biases in portfolio decisions: Overconfidence, Herd behavior, Loss aversion; Strategic Vs Tactical Asset Allocation.

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UNIT V: PORTFOLIO EVALUATION & PERFORMANCE MEASUREMENT:

Portfolio Evaluation: Need for portfolio evaluation, Benchmarking (use of indices like Nifty/Sensex), Risk-adjusted performance measures: Sharpe Ratio, Treynor Ratio, Jensen's Alpha; Interpretation of performance measures, Performance attribution (basic idea), Overview of mutual funds and PMS, SEBI guidelines for portfolio managers (overview).

SUGGESTED READINGS:

- 1) Bhalla, V. K., Investment Management, S. Chand & Co.
- 2) Fisher Donald E & Ronald J Jordan, Securities Analysis & Portfolio Management, PHI
- 3) Prof. Kamatam Srinivas, Portfolio Management, Kalyani Publisher, 2025, First Edition
- 4) Jack Clark & Richard W Taylor, Financial Theory & Problems of Investment, McGraw-Hill
- 5) Gangadhar V: Investment Management, Anmole.
- 6) Kevin S, Security Analysis and Portfolio Management, Prentice Hall.
- 7) Mayo, Investments, Thomson.
- 8) Punithavathi Pandian, Securities Analysis & Portfolio Management, Vikas.
- 9) Reilly: Investment Analysis and Portfolio Management, Thomson.
- 10) Sharp Etal.: Investments, Prentice Hall.
- 11) Strong: Practical Investment Management,