

**VEER NARMAD SOUTH GUJARAT
UNIVERSITY M. Com-II
(External)**

**Financial & Management Accounting Paper - 4
(Syllabus effective from Academic Year 2021-22)**

onwards)

Objectives:

- To acquaint the students with long term investment decisions.
- To give the idea about cost-volume –profitability analysis.
- To give the basic concept about financial Security Market.

Unit	Particular	Weightage
1.	Cost-Volume - Profit Analysis and break - even Analysis : (Practical) Objectives, assumptions and limitations of CVP analysis - Types of break - even analysis - Assumptions and limitations of break - even charts - Profit volume charts - Break - even analysis with one key factor.	17.5%
2.	Capital budgeting : (Practical) Concept - Objectives - Importance of capital budgeting - Kinds of capital investment proposals - Factors affecting capital investment decisions - Appraisal methods - Capital budgeting under risk and uncertainty-Sensitivity analysis. Capital budgeting techniques: <ul style="list-style-type: none"> • Payback Period. • Discounted Payback Period. • Net Present Value. • Accounting Rate of Return. • Internal Rate of Return. • Profitability Index. 	17.5%
3.	Time Value of Money : (Theory) Definition, Concepts, Application, Present Value, Future Value, Time Value of Money Example	7.5%
4.	Corporate Social Responsibility (CSR)(Theory) Meaning, Scope , Provision of Companies Act 2013 In respect of CSR	7.5%
5.	Differential Costing: (Practical) Meaning - Features and implications of differential costing - Marginal vs. differential costing - Applications of differential costing, Marginal Costing vs. Absorption costing.	15%
6.	Cost of Capital: (Practical) Concept - Computations of cost of equity capital (including new	15%

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	equity issue) - Cost of preference capital - Cost of debt – Cost of retained earnings - Weighted average cost of capital.	
7.	Product Pricing : (Practical 10% and Theory 10%) Pricing policy - Aims and objectives of pricing - decision process - Role of Costs in pricing - pricing methods (Method of cost plus pricing, marginal cost pricing, added value method of pricing, opportunity cost pricing, Target Return pricing - Administered pricing), Strategies of product pricing (Pricing strategies for new products and Pricing of established products), Pricing during inflation and recession, Non-financial factors in pricing - Limiting factors in product pricing - Management Accountant's role in product pricing.	10%
8.	Mechanics of Investment: Investment Return and Risk, Risk diversifications, Systematic and unsystematic risk, Cost of Investing Securities. Specific factors affecting the value of particular company's shares - Timing of investment decisions.	10%

Ref.: (Updated Book)

- 1) Corporate Social Responsibility in India – Nayan Mitra, Springer Publication

Quint
27/10/2021