

## **SEMESTER IV**

### **PAPER 1-INDIRECT TAX LAWS AND PRACTICES**

**Objectives : 1.** To gain expert knowledge of the principles and laws relating to the Service Tax, Central Excise Duty, Customs duty and Central Sales Tax

#### **Module 1**

##### **INTRODUCTION**

Definition – Scope – Nature – Difference between direct and indirect tax **(4 Hrs)**

#### **Module 2**

##### **SERVICE TAX IN INDIA - PPROCEDURE**

Introduction – Exempted Services Vs Services included in the negative list - General exemption from payment of Service Tax - Registration- issue of invoice – bill or challan or consignment note – person liable to pay Service Tax - Payment of Service Tax – Exemptions available for small service providers - returns – Large tax payer – records and access to a registered premises.

**(23Hrs)**

#### **Module 3**

##### **DEMAND, ADJUDICATION, OFFENCES AND OTHER PROVISIONS**

Assessment - Recovery of service tax – Provisional attachment – Publication of Information in respect of defaulters – Penal consequences – reasonable Cause – Prosecution cause – Power to search premises – Appeals – Recovery of amount due to Central Government – Power of Central Govt. to grant exemption – Power to Grant Rebate – Power to make Rules - GATT and Tax

**(20 Hrs)**

#### **Module 4**

##### **Central Excise Duty**

Definition of Central Excise Duty- Nature of Excise Duty – Scope of Excise Duty – Levy – Kinds of excise duty – Merits and Demerits of Excise duty - important definitions—General

Procedures of Central Excise -- registration – Central Excise Duty Authorities and their Powers –Penalties, Offences and Punishments - Appeals and Revisions- Tax Liability and Valuation of Goods–Penalties, Offences and Punishments-Concession to small scale industries **(20 Hrs)**

### **Module 5**

#### **CUSTOMS DUTY**

Definition of Customs Duty – Importance – demerits - Important definitions – basis of determining Customs Duty – Import and Export Manifest- Specified Goods - Export policy - CustomsDuty Authorities and Powers – Penalties and Prosecutions – Appeals and revisions–Tax liability and valuation of Goods - Baggage Rules –Import procedure and Documents – Export Procedure and Documents. **(20 Hrs)**

### **Module 6**

#### **CENTRAL SALES TAX**

Definition of Central Sales Tax- brief history – Central Tax Sales (Amendment) Act – 2001 – Important features of the Act - Objects of enacting the Central Sales Tax Act– Important definitions - Principles for determining different Categories of Sales – Sales Tax Liability – Registration of Dealers – Levy and Collection of Tax- Penalties and Prosecution – Sales Tax Authorities – Application of State Sales Tax Law –Power of Government to make Rules – Liability in special cases – Settlement of Disputes

**(22Hrs)**

#### **REFERENCES**

1. Indirect Taxes - Dr. H.C Mehrotra and Prof.V.P. Agarwal, SahityaBhavan Publications, Agra
- 2.Indirect Taxes – V.S.Datey, Taxman Publications, New Delhi.
3. Indirect Taxes – Dr. V. Balachandrran, Sultan Chand and Sons, New Delhi

## **IV Semester**

### **PAPER 2- INTERNATIONAL FINANCE**

#### **Objective**

1. To familiarise the students with the international financial markets and instruments.
2. To create awareness on the global financial markets and institutions
3. To convey an understanding on the management of funds by MNCs

#### **MODULE I**

**International Finance-** Meaning and Scope of international finance- components of global financial markets -Recent trends in global financial markets-sourcing funds globally **(15 hours)**

#### **MODULE II**

**International Financial Markets-**Overview of the International Financial Market- Markets for Foreign Exchange and Derivatives, Market for Currency Futures, Currency Options and SWAPS –Risk management computation-Exchange Rate Mechanism, Exchange Rate theories and models of exchange rate – Computation of Exchange Rate: Gold Standard : Features, weaknesses. Bretton Woods System – Features-Weaknesses-Fixed parity System- Collapse of fixed parity System-Floating Rate System: Independent Float and Managed Float-Currency Pegging: Pegging to single Currency -Pegging to basket of Currencies - Pegging to SDRS (Special Drawing Rights) convertibility of Indian rupee **(25 hours)**

#### **MODULE III**

**International Investment Decision-**Foreign Direct Investment-Current issues in Foreign Direct Investment –FDI in India-Opening up of various sectors-FIIs and Financial markets. **(20 hours)**

#### **MODULE IV**

**International Financial Institutions and Instruments-** International Development Banks-World bank-IMF and monetary system-Asian Development bank –Balance of payment- components-Financial Market Instruments, ADR-GDR-Euro-IDR-Financial Swaps Foreign Bonds ,Euro Bonds Global Bonds, Convertible Bonds, Floating rate Notes (only theory) **(20 hours)**

#### **Module V**

**International Project Appraisal --** Issues involved in Investment Analysis -  
– Cross Border Investment Analysis -portfolio investment in the international arena-International CAPM (only theory) **(15 hours)**

#### **Module VI**

**Financial Management of MNCs—** Financing-Investment--Liquidity decisions –Risk management-ALM in compliance with global standards-Managing Liquidity for MNCs (only theory) **(13 hours)**

### ***Books Recommended***

1. Ian H. Giddy, 'Global Financial Markets' AITBS
2. Kirt C. Butler, 'Multinational Finance' Thomson south western
3. Gurusamy S, 'Global Financial Institutions', Vijay Nicole and Tata McGraw Hill
4. S. Kevin , Fundamentals of International Financial Management, Prentice Hall of India, New Delhi.
5. Reid W. Click and Coval, 'International Financial Management' Prentice Hall India
6. Rite M Rodriguez, "International Financial Management", E Eugene Carter Prentice Hall, New Delhi
7. Alan C Shapiro, "Multinational Financial Management", Allyn and Pacon Ioc, Boston
8. Adrin. Buckley, "Multinational Finance", Hcrit, New Delhi
9. Madura, Jeff, "International Financial Management, West Publishing Company.
10. Apte P.G. International Financial Management, Tata McGraw Hill, New Delhi
  
11. Machiraju H R, International Financial Markets in India, New age international Publishers, New Delhi
  
12. Annual Reports of IMF, World Bank, ADB.

### **Web References**

www.internationalfinancemanagement.com  
www.onlinelibrary.wiley.com  
[www.emeraldinsight.com](http://www.emeraldinsight.com)

## SEMESTER IV

### PAPER 3-MANAGEMENT OPTIMIZATION TECHNIQUES

#### Objectives:

1. To impart knowledge on various facets of project management viz. project preparation, feasibility study as well as project scheduling and monitoring.
2. To convey basic principles of project optimization using various Operational Research tools.

#### Content

**Module I** Optimization Techniques - Introduction to Management Science/ Operations Research- Definition –Nature and Importance- Steps in intelligent decision making- Modeling Techniques - Linear Programming – Formulation of LPP – Maximize, Minimize objective function-constraints and non-negativity conditions- Graphical solution –optimal solution-Infeasible and unbounded solutions- degeneracy- Simplex Method – Slack, surplus and artificial variables- Duality – Primal and Dual Problem (25 hours)

**Module II** Optimization Techniques (contd.)Transportation Problems-Balanced and Unbalanced- initial basic feasible solution using North West corner rule, Lowest Cost Entry and Vogel Approximation method- optimal solution- Modi Method- Assignment Problem – Hungarian Method for solving assignment problem- Travelling Salesmen problem – Unbalanced Assignment problem (20 hours)

- Module III** Other Optimization Techniques Game Theory- Pure and Mixed Strategy- Pay off matrix- Maximin and Minimax – Saddle point- Solution of pure strategy games- Arithmetic method of solving mixed strategy games  
Replacement theory- replacement of capital items and items that fail completely- Individual and group replacement policy  
(10 hours)
- Module IV** Project Scheduling and Monitoring Network Analysis - Network analysis: scheduling and control of projects via identification of the critical path- free independent and total float (slack), PERT – time estimates and probability of completion - cost/time tradeoff analysis- crashing of projects and resource considerations  
(25 hours)
- Module V** Queuing Theory- Models (Simple problem),-Inventory models- computation  
(15 hours)

Reference:

1. JK Sharma- operation Research- Theory and Practice- Mac Millan
2. Bhavesh M Patel, “Project management” Vikas Publishing House
3. John M. Nicholas, Project management for business and Technology- Problems and practice.
4. Clifford F Hry, Erik W. Larson and Goutam V Desai- “ Project Management- the Managerial process”, Tata Mc Graw Hill Education Pvt. Ltd. , New Delhi.
5. Harvey M Wagner- “Principles of Operation Research, PH Learning Pvt. Ltd.

**SEMESTER IV**  
**PAPER 4-FINANCIAL STATEMENTS- INTERPRETATION AND**  
**REPORTING**

Objectives

1. To familiarise the students about the new developments in the reporting of financial statements.
2. To equip the students with the techniques to interpret the financial statements

**Module I**

**FINANCIAL REPORTING AN INTRODUCTION**

Introduction – Causes of International Differences – major differences in Financial Reporting – Indian GAAP, US GAAP, IAS, and IFRS. International organizations engaged in accounting harmonization. International Classification of Financial Reporting – International Harmonization of Accounting – The Requirements of International Accounting Standards – Role of IFRS in Cross Border Capital Allocation. **20 Hrs.**

**Module II**

**IFRS FRAMEWORK**

International Financial Reporting Standard (IFRS) meaning of standardization. The structure of IFRS. Process of IFRS Standard Setting – Constraints - Hierarchy of Standards. IFRS adoption or convergence in different countries – IFRS 1 (First time adopters). **15 hrs.**

**Module III**

**IFRS COVERAGE**

International Financial Reporting Standards 2 – 13(a brief study), Case studies on compliance with IFRS by Indian Companies and MNCs. **10 hrs.**

**Module IV**

**IFRS FOR MNC OPERATIONS**

Issues in International Accounting – Consolidation – Foreign Currency Translation – Segmental Reporting – Foreign Exchange risk management. **18 hrs.**

### **Module V**

#### **Impairment of Assets**

Value in use – Net Realisable Value – Recognition – Impact on goodwill Corporate Assets – Reversal of impairment loss, impact on depreciation. **18 hrs.**

### **Module VI**

#### **Developments in Financial Reporting and interpreting**

Value Added Statement – Economic Value Added – Market Value Added – Shareholder’s Value Added – Human Resource Reporting (conceptual framework only). Interpreting Financial Statements: interpreting Income statements, interpreting Balance sheets and interpreting Cash flow statements. **27 hrs.**

#### **Recommended Books**

1. International Accounting by Timothy S. Douppnik; Hector Perera
2. International Accounting: A User Perspective by Shahrokh M. Saudagaran
3. International Accounting by Frost; Frederick D. S. Choi; Meek
4. International Financial Reporting Standards (IFRS) by Taxmann Publication