

CO OPERATIVE ARTS AND SCIENCE COLLEGE MADAYI
P.G.DEPT.OF COMMERCE
SEMESTER PLAN
MCOM

SEMESTER 1

PERIOD: JULY TO NOV

COM1C05 ACCOUNTING FOR BUSINESS DECISIONS

MONTH	MODULE	HOURS	REMARKS
JULY	<p><i>Module I.</i> Introduction: Management Accounting : Need and Importance -Meaning - Definition -Objectives-Scope.</p> <p><i>Module II.</i> New Trends in Budgeting : Problems in Traditional Budgeting -Zero Base Budgeting (ZBB) Process -Advantages - Difference between Traditional Budgeting and Zero Base Budgeting Programme Budgeting -Performance Budgeting - Distinction between Programme Budgeting and Performance Budgeting -Participative Budgeting -Responsibility Accounting - Meaning and Definition -Responsibility Centres -Social Accounting -Government accounting and Environment accounting (Only relevant issues related to business decisions). (25 Hours)</p>		
August/September	<p><i>Module III.</i> Long Term Investment Decisions: Capital Budgeting -meaning -importance -process Evaluation Techniques -Urgency -Payback -ARR -Improvement on traditional approach -Discounted Cash flow Techniques -Net Present Value -Internal Rate of Return -Terminal Value Method - Profitability Index -Capital Rationing.</p>		

	<p><i>Module IV.</i></p> <p>Risk Analysis in Capital Budgeting: Relationship between risk and returns - Techniques: RiskAdjusted Discount Rate -Certainty Equivalent Coefficient - Sensitivity Analysis -Probability Assignment -Standard Deviation - Coefficient of Variation -Decision Tree Analysis -Game Theory.</p>		
<p>October/ November</p>	<p><i>Module V</i></p> <p>Cost of Capital: Meaning -Definition - Assumptions -Importance -Types of cost of capital Theories of cost of capital - Factories determining cost of capital - Methods of computing cost ofequity share capital -cost of preference share capital - cost of debt capital -cost of retained earnings -Weighted average cost of capital.</p>		