



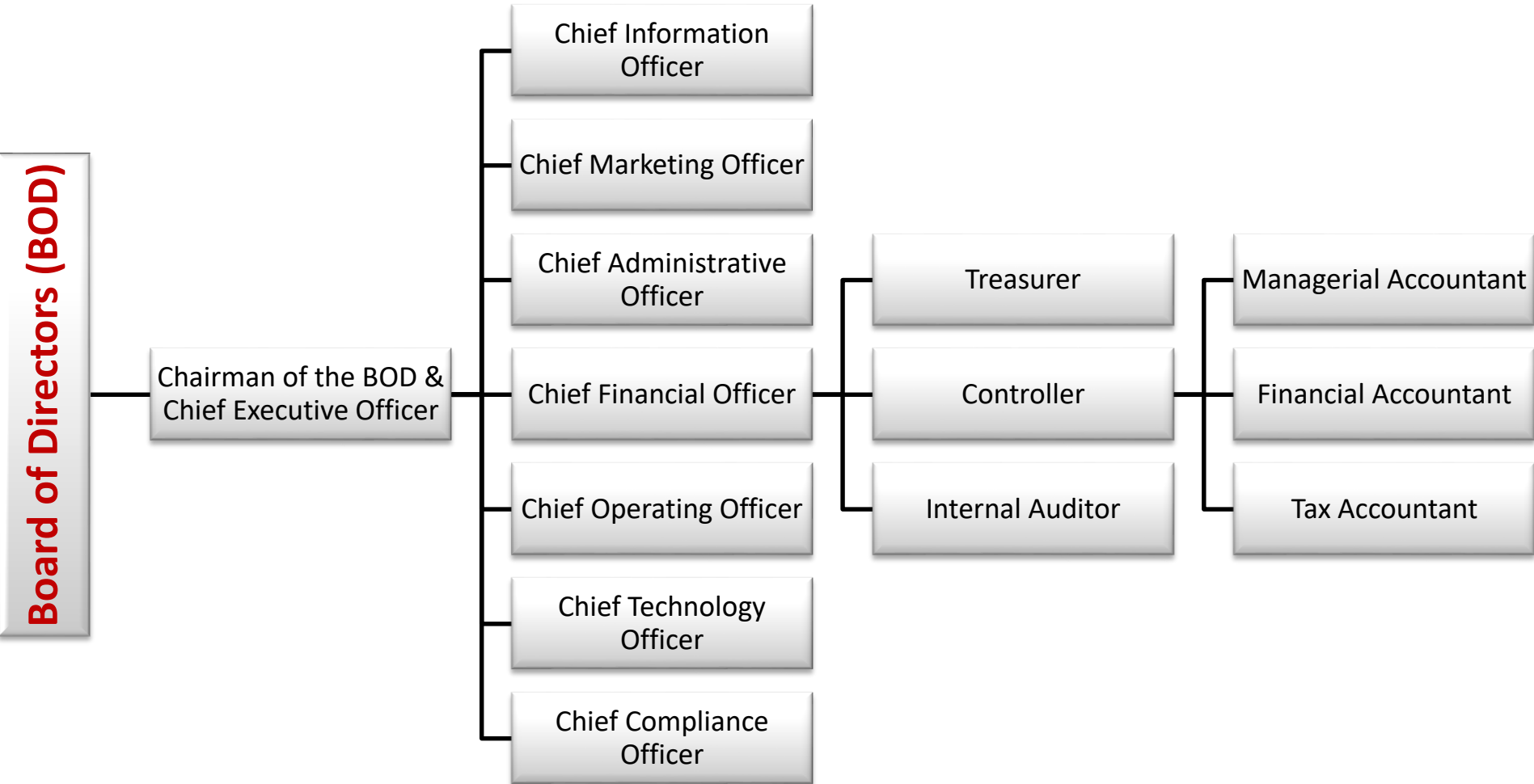
Introducing ... “Accounting & Finance”



Prepared by *Ram Kumar Kakani*

The views
expressed herein
are personal

Large Corporate Sector ... Organization of the Finance Functions



Organization of the Financial Management Function

VP of Finance

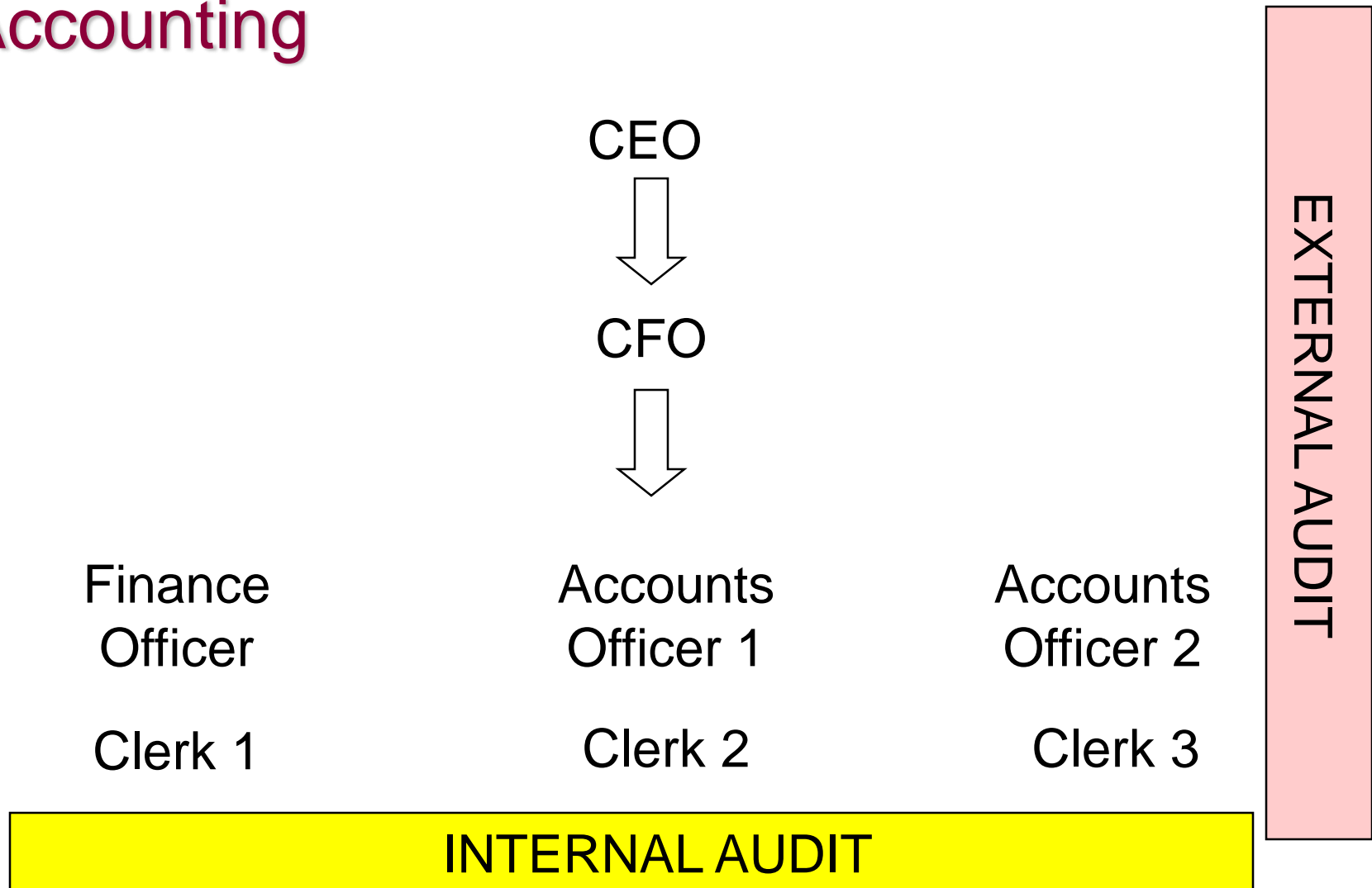
Treasurer

Capital Budgeting
Cash Management
Credit Management
Dividend Disbursement
Fin Analysis/Planning
Pension Management
Insurance/Risk Mgmt
Tax Analysis/Planning

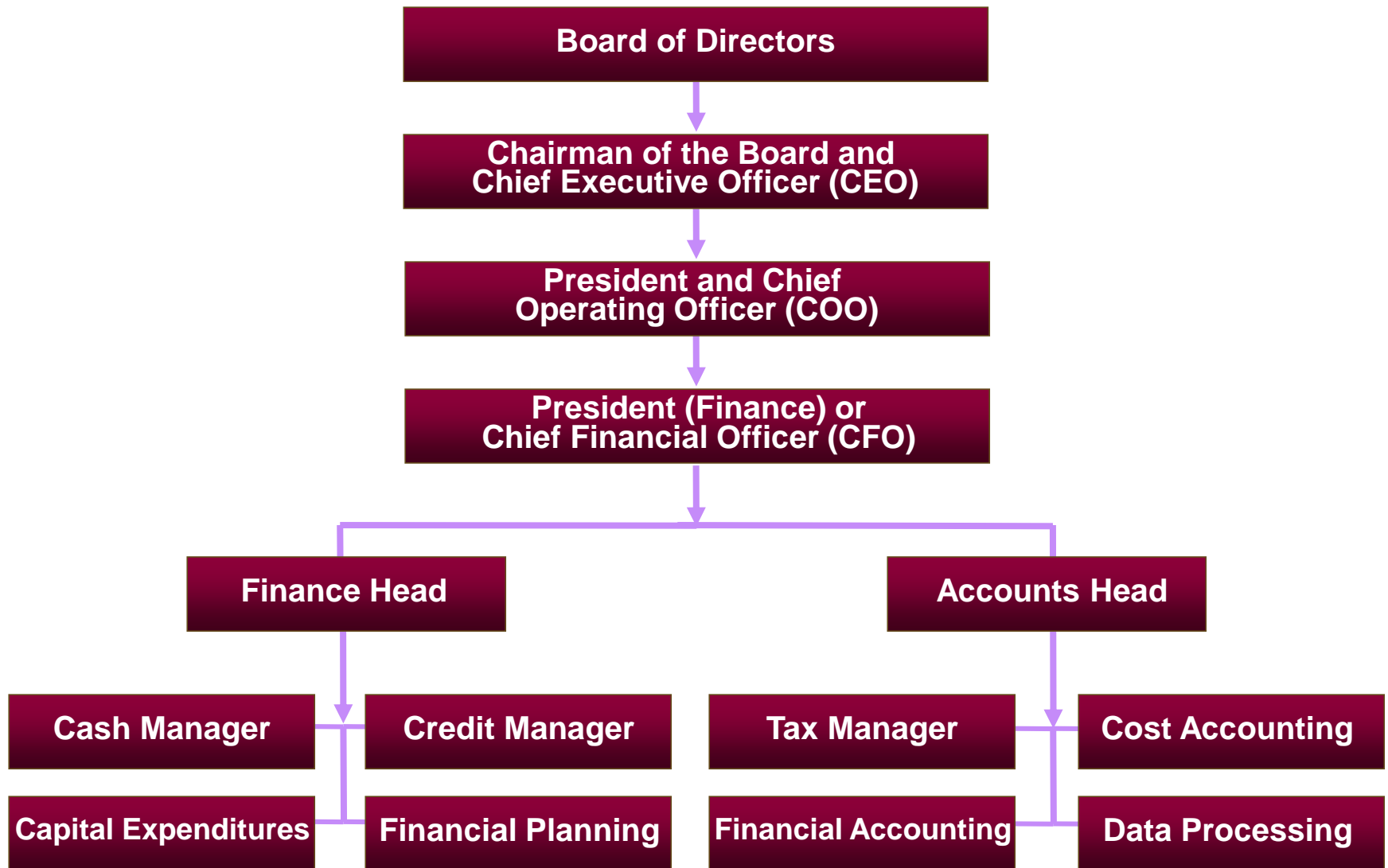
Controller

Cost Accounting
Cost Management
Data Processing
General Ledger
Government Reporting
Internal Control
Preparing Fin Stmts
Preparing Budgets
Preparing Forecasts

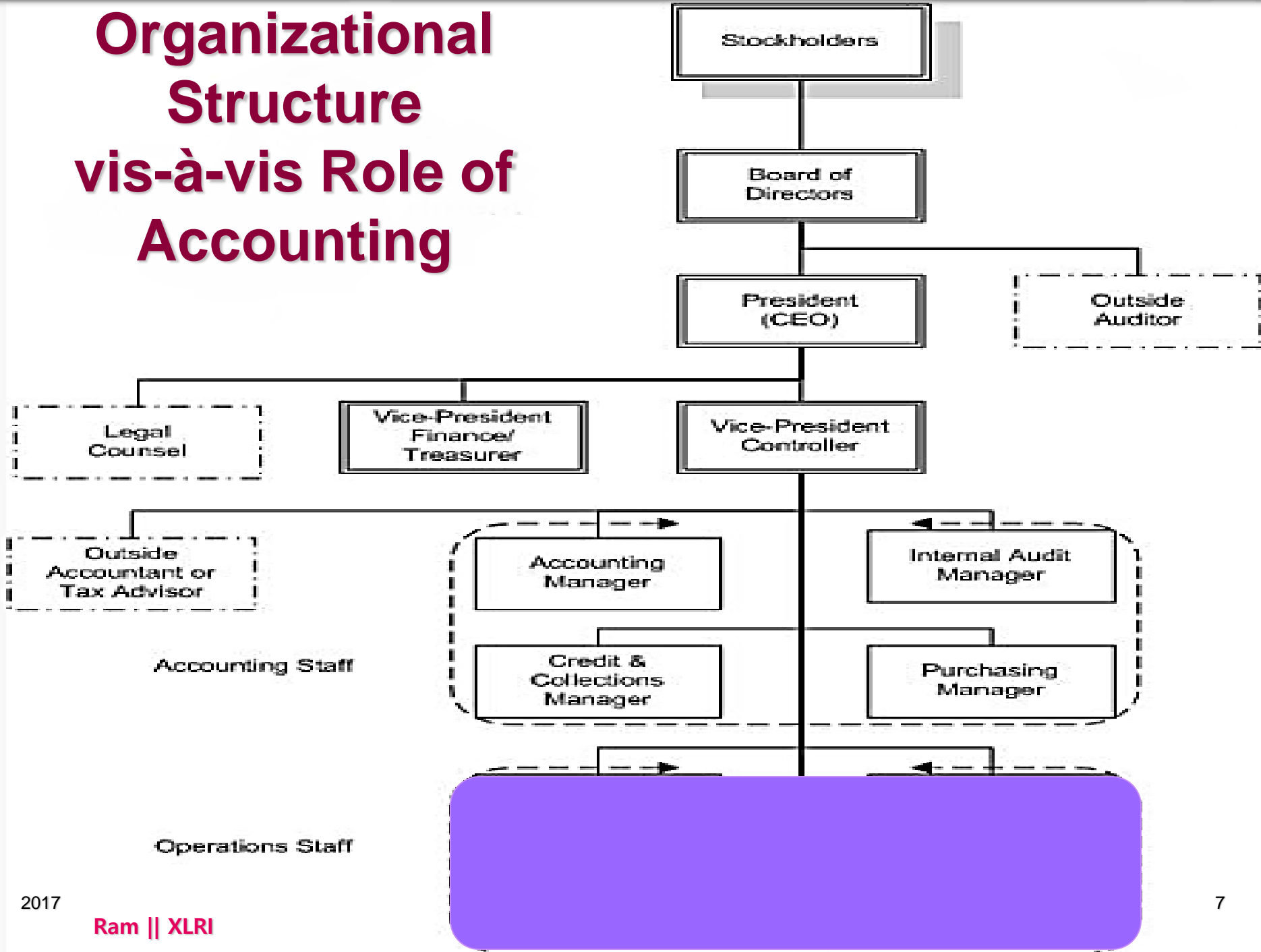
Organizational Structure vis-à-vis Role of Accounting



Hypothetical Organization Chart



Organizational Structure vis-à-vis Role of Accounting



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"It's safe to come out - the auditors have gone." 8

“Finance” Area Core Courses ...

- Term I – Management Accounting I (MANAC I)
 - Creating Accounting Records and Financial Statements
 - Understanding and Interpreting Financial Statements
- Term II – Management Accounting II (MANAC II)
 - Cost Allocation, Creating Cost Sheet and Budgetary Controls
 - Understanding and Interpreting Cost (& Price) Information
- Term II – Financial Management I (FM-1)
 - Understanding ‘Corporate Finance’ Objectives
 - Appreciating Financial Markets
 - Developing Skills for Financing Related Decisions
- Term III – Financial Management II (FM-2)
 - Developing Skills for Corporate Investment Decisions
 - Appreciating Working Capital Management
 - Introduce Valuation, Restructuring, Failure, Leasing, Derivatives, etc.

“Finance” Area Electives

- Behavioral Finance
- Business Analysis and Valuation
- Capital Expenditure Planning and Control
- Management of Banking
- Commodities Derivatives Market
- Corporate Taxation
- Financial Analysis, Planning and Control
- Financial Decision Making under Information Asymmetries
- Financial Markets
- Financial Modeling Using Excel
- Financial Risk Management

“Finance” Area Electives

- Financial Technical Analysis and Global Intermarket Analysis
- Fixed Income Securities
- Indian Accounting Standards
- International Business Economics
- International Financial Management
- Issues in Empirical Finance
- Mergers, Acquisition and Corporate Restructuring
- Options and Futures
- Risk Management and Insurance
- Security Analysis and Portfolio Management
- Social Finance, Impact Investing & Insurance

“Finance” Streams ...

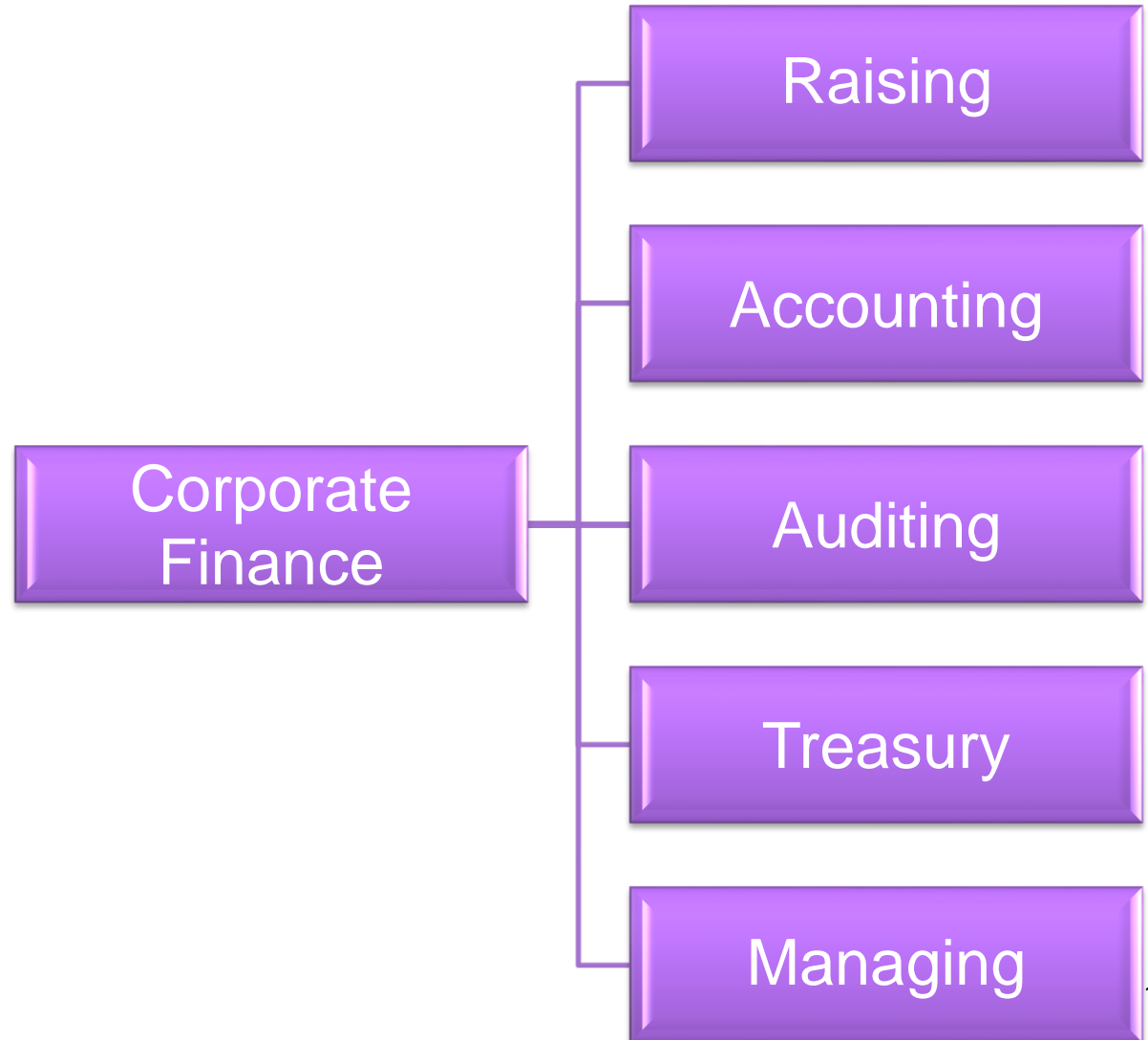
Three Streams

Corporate
Finance

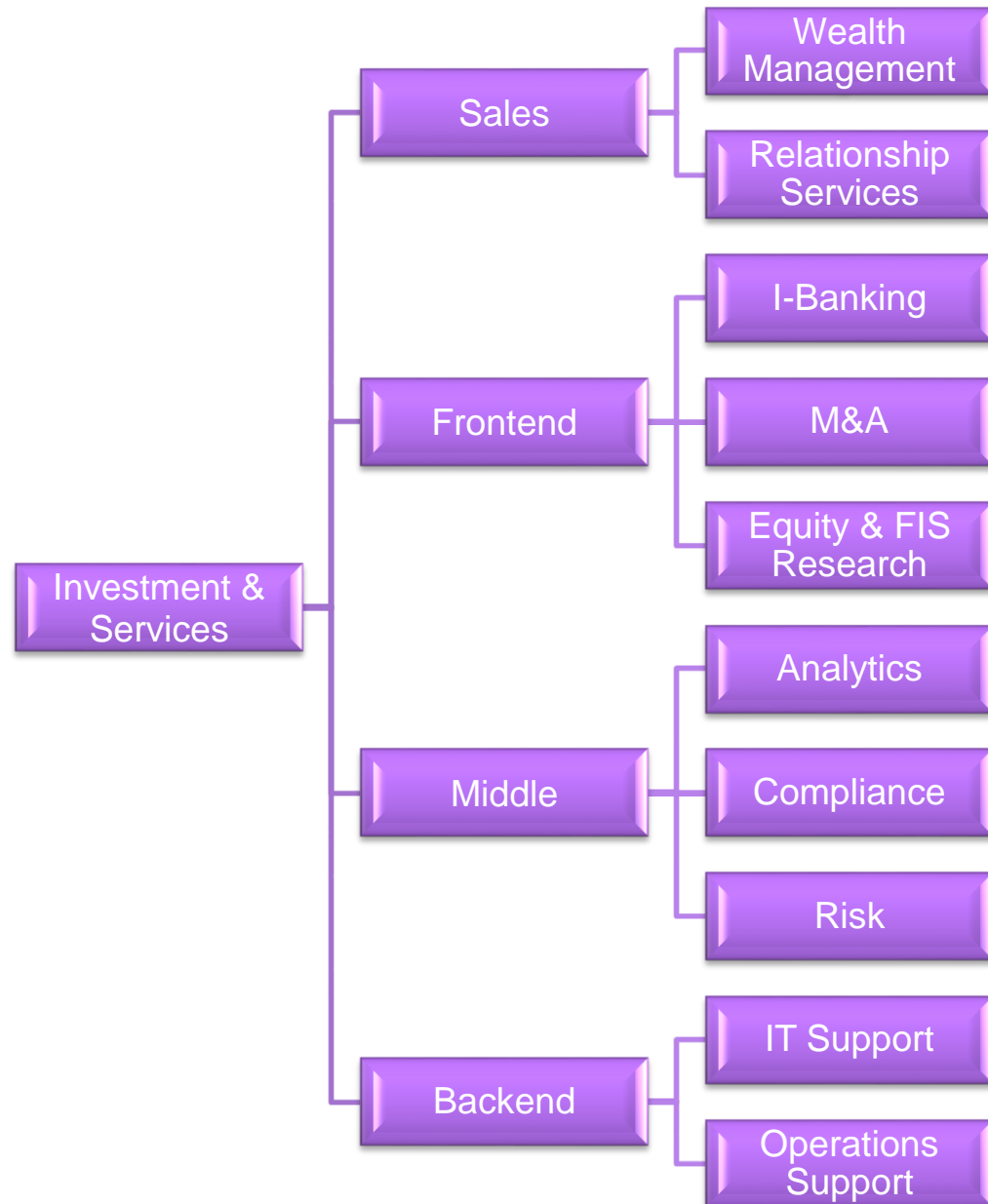
Investment &
Services

Banking &
Insurance

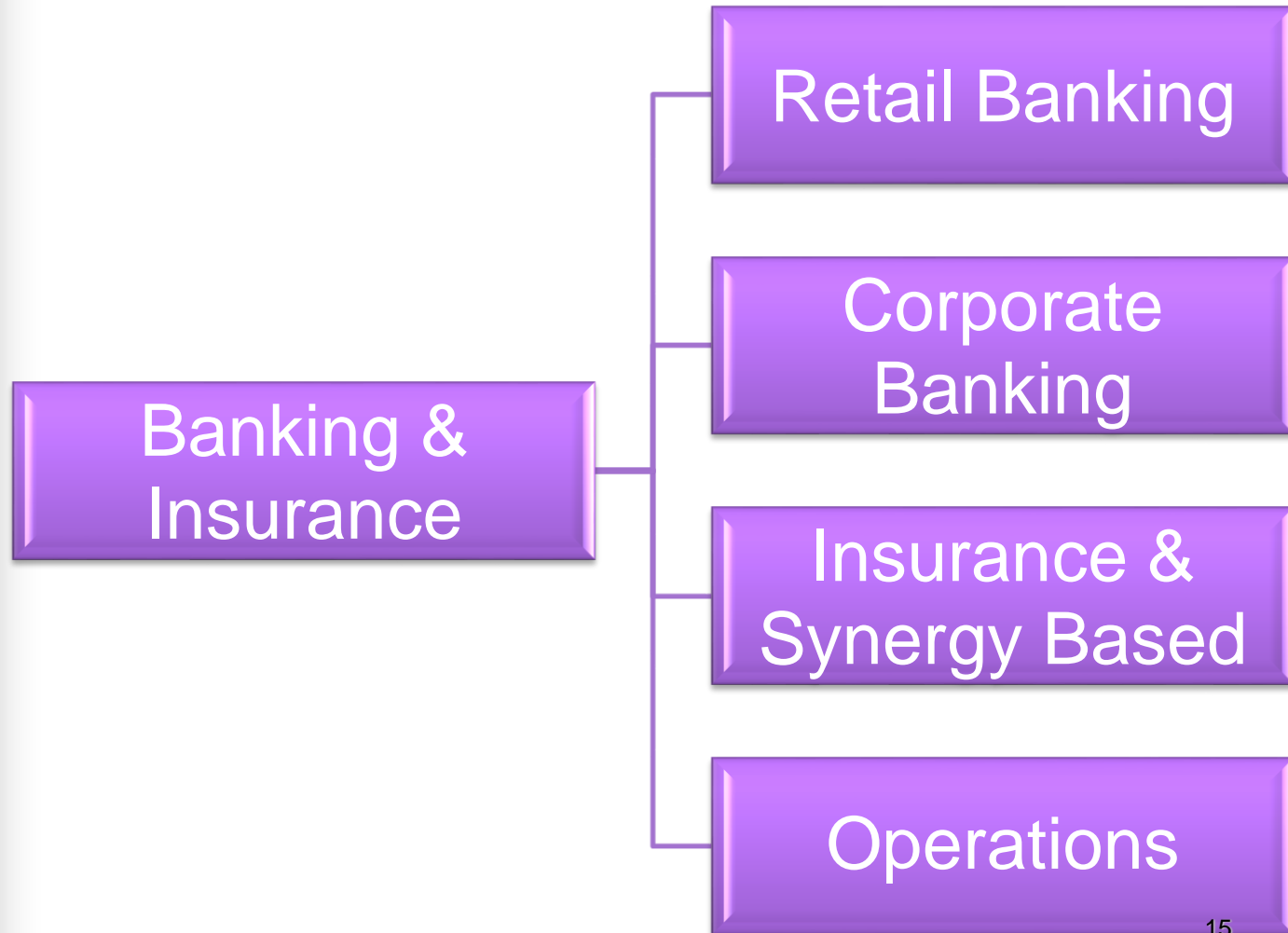
“Corporate Finance” Streams ...



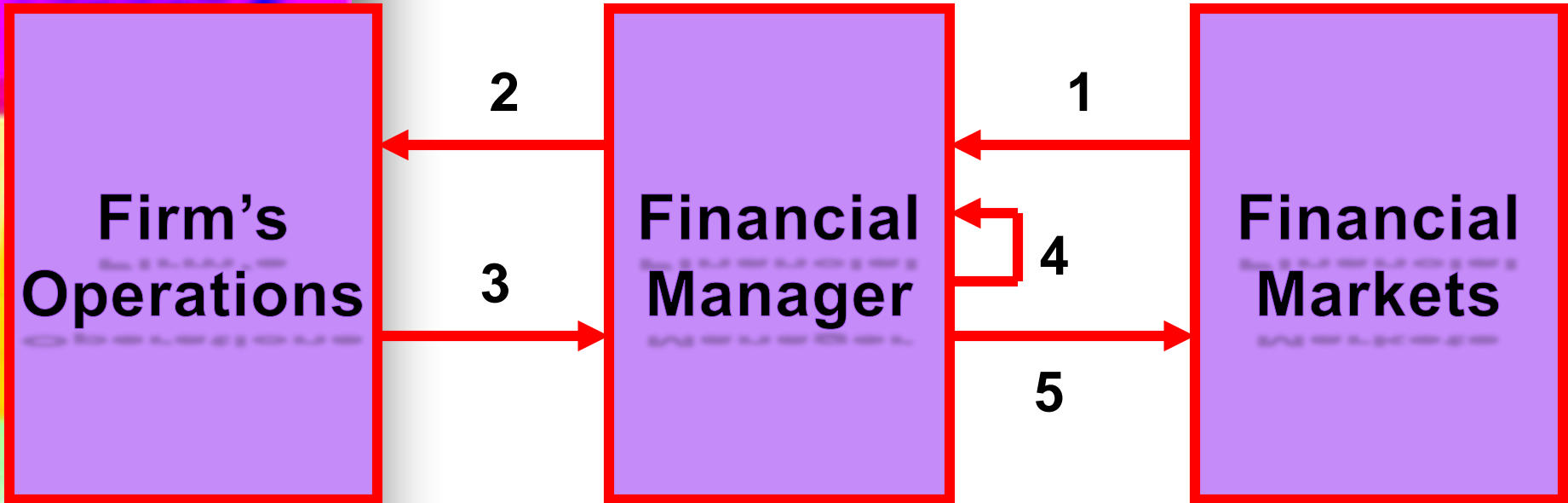
“Investment & Services” Streams ...



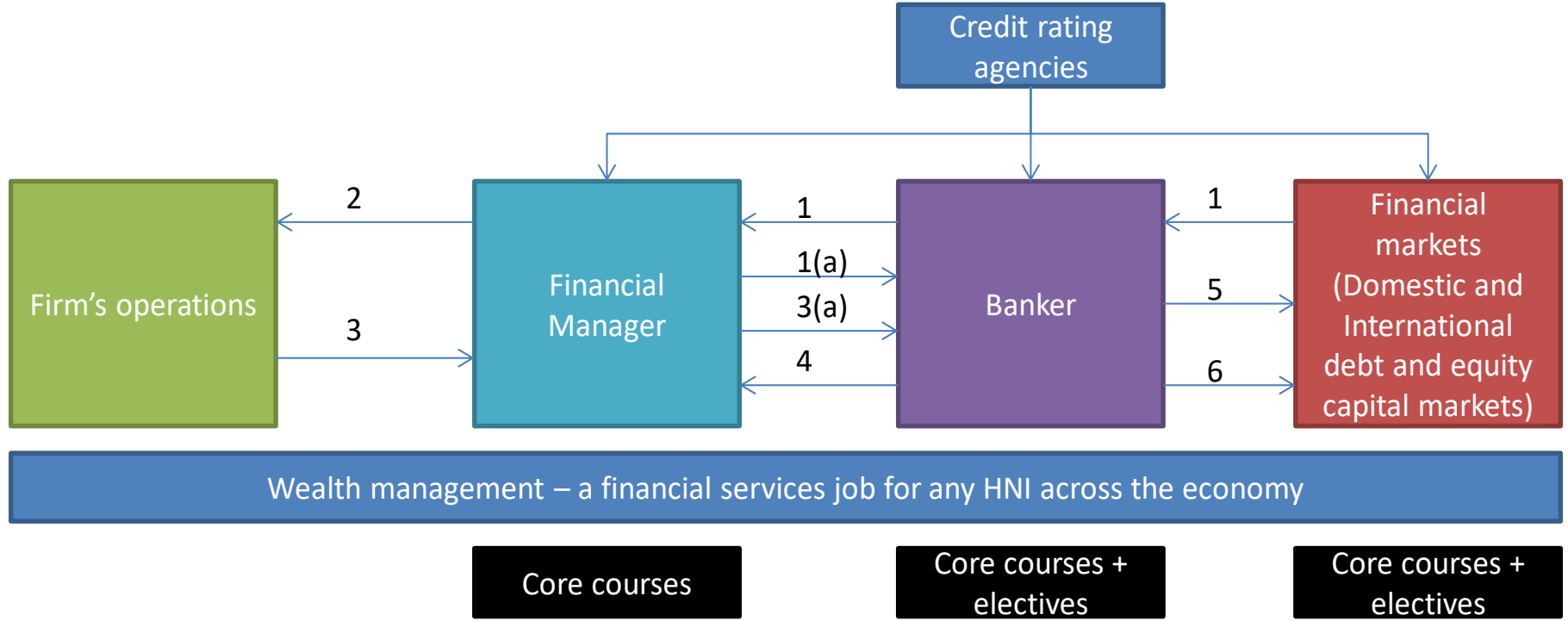
“Banking & Insurance” Streams ...



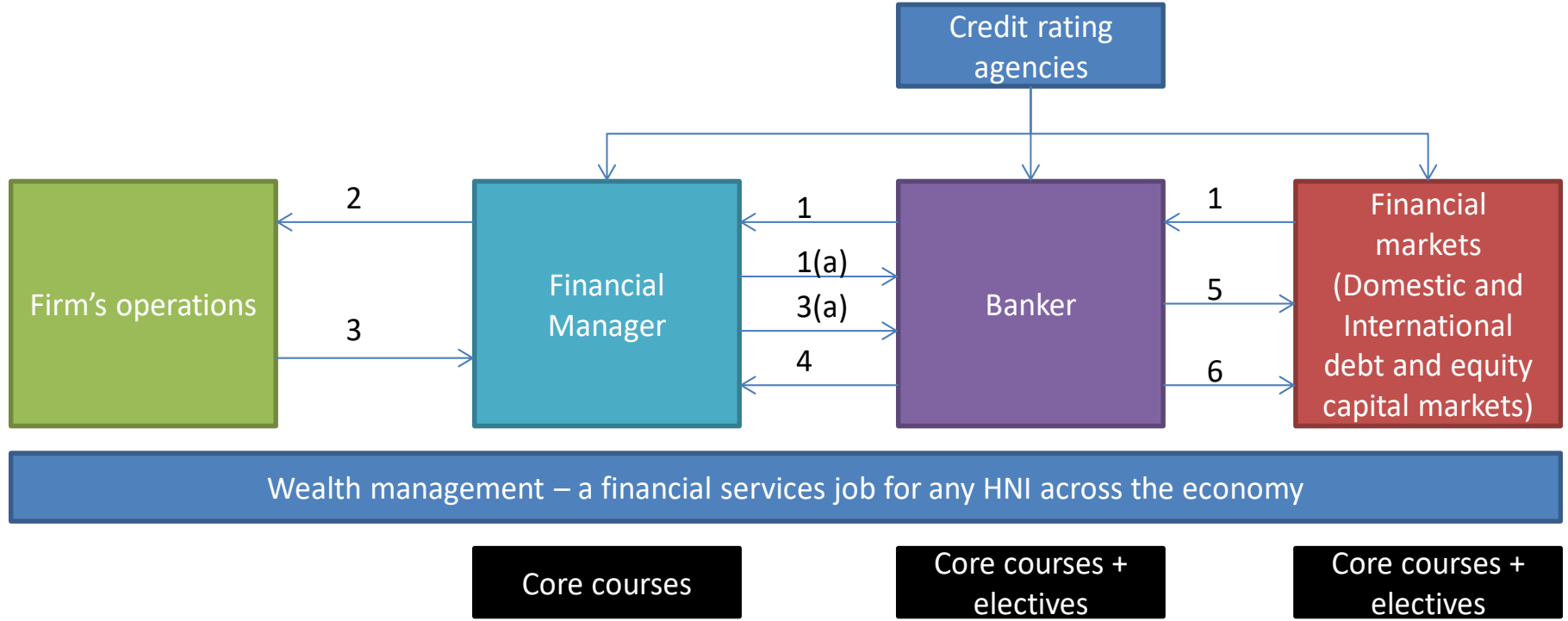
Role of the Financial Manager



1. Cash raised from investors
2. Cash invested in firm
3. Cash generated from operations
4. Cash reinvested
5. Cash returned to investors



1. Bankers and financial managers raise capital for investors (from capital markets i.e. debt/ equity in INR/ US\$ / foreign currency)
 1. Bankers and financial managers also engage and in hedging needs of the Firm i.e. protecting assets from devaluating due to currencies and liabilities from increasing due to increase in interest rates/ currency
 2. Bankers and financial managers also provide working capital
 2. Financial managers deploy this capital in their business operations – their decision involves capital allocation
 3. (a) Cash generated by the business is to be again protected by Finance Manager (cash management, regular banking)
 4. Banker advises Financial Manager on deployment of cash/ M&A
 5. If no opportunities, Banker advises deploying excess cash in the market
 6. Banks provide research and analytics services to the market
- Options also include services in wealth management and rating agencies which cater to needs to finance managers, bankers and the financial markets



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Thank You



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