



Goa University
P.O. Goa University, Taleigao Plateau, Goa 403 206, India

Syllabus of BBS (Financial Courses) Programme
Offered at the Colleges under OC 46
w.e.f. the Academic Year 2010-2011

A brief description of the Programme:

This self-financed Undergraduate programme is being offered by VVM's Shree Damodar College of Commerce & Economics, Margao, Goa under the aegis of Goa University.

Purpose:

The financial sector is one of the most rapidly growing service sectors in India as well as in the world, and offers huge employment opportunities. Presently, at Goa University, specialization in Finance is only a Post-Graduate option [MBA, MBA (Financial Services)], and not all students can pursue a Post-Graduate degree. The BBS (Financial Services) programme aims to develop students' knowledge and skills in the vast areas of Finance and can help students gain entry into the Financial Services sector.

Prerequisites:

For entry into this programme, a student must have passed **Standard XII in any stream** of the Goa Board of Secondary and Higher Secondary Education or any other equivalent examination recognized by Goa University.

Number of semesters, How the courses are distributed:

This is a six-semester programme spread over three years. Each of the first five Semesters has seven courses (each of 100 marks), with 5 weekly sessions of 45 minutes each.

Internship and project:

A unique feature of the programme is the Semester VI internship with a firm in the financial sector. Students work in teams for approximately 75 days and then submit a Project report on the work carried out during the internship. This exposure to the world of work helps them relate their theoretical knowledge to the real world, and gives students the competitive edge needed when applying for jobs.

The table on the next page lists the semester-wise courses under the programme. A description of each of the courses is given in subsequent pages.

Bachelor of Business Studies [Financial Services] [BBS(FS)]

Programme Structure w.e.f. academic year 2010-11

In the following table, L refers to lectures, T to tutorials and P to practicals. The description of a course appears on the page number listed in the table.

Course Name	L-T-P (sessions/week)	Page No.
SEMESTER I		
1. Business Communication	5-0-0	3
2. Quantitative Techniques – I	5-0-0	4
3. Essentials of Management – I	5-0-0	5
4. Essentials of Accounting – I	5-0-0	6
5. Business Economics – I	5-0-0	7
6. Indian Financial System	5-0-0	8
7. Fundamentals of Business Computer Applications	3-0-2	9
SEMESTER II		
1. Environmental Studies	5-0-0	11
2. Quantitative Techniques - II	5-0-0	14
3. Essentials of Management – II	5-0-0	15
4. Essentials of Accounting – II	5-0-0	16
5. Business Economics – II	5-0-0	17
6. Financial Services - I	5-0-0	18
7. Banking Operations	5-0-0	19
SEMESTER III		
1. Direct Taxes	5-0-0	20
2. Cost Accounting	5-0-0	22
3. Financial Services - II	5-0-0	23
4. Indian Securities Markets	5-0-0	24
5. Financial Management	5-0-0	25
6. Fundamentals of Insurance	5-0-0	26
7. Foreign Exchange Markets	5-0-0	27
SEMESTER IV		
1. Indirect Taxes	5-0-0	28
2. Management Accounting	5-0-0	29
3. Indian Business Environment	5-0-0	30
4. Modern Banking	5-0-0	31
5. Stock Market Operations	5-0-0	32
6. Corporate Finance	5-0-0	33
7. Business & Financial Sector Legislation	5-0-0	34
SEMESTER V		
1. Financial Auditing	5-0-0	35
2. Accounting for Financial Services	5-0-0	36
3. Bank Management	5-0-0	37
4. Fundamentals of Strategic Management	5-0-0	39
5. Security Analysis and Portfolio Management	5-0-0	40
6. International Finance	5-0-0	41
7. Research Methodology	5-0-0	42
SEMESTER VI		
Compulsory Internship and Project	Approx. 75 days	-

First Year BBS (Financial Services)

SEMESTER I

BUSINESS COMMUNICATION

Objectives: To improve the students' basic oral and written communication capabilities; to improve the student's oral and written business communication skills

Unit 1: Basic Language Skills (25% marks)

Reading Skills – Reading Speed (careful reading, rapid reading); Comprehension; Retention; Guidelines for Effective Reading; Quick Reading Strategies

Grammar & Writing Skills: Paragraph Writing, Correction of sentences (14-15 lectures)

Unit 2: Oral & Presentation Skills (25% marks)

Oral Skills: Effective oral communication; Characteristics of oral communication; Conversation Skills, Speaking Skills; Group Discussion

Presentation Skills: Planning, Preparing, Practicing, Presenting (14-15 lectures)

Unit 3: Business Letters (25% marks)

Letter writing - Formats of letters, Writing different types of letters - Trade Enquiries - Orders and their Execution - Credit and Status Enquiries – Complaints and Adjustments - Collection Letters – Sales Letters – Circular Letters.

Personal Letters: Application Letter, Bio-Data, résumé, C.V. (14-15 lectures)

Unit 4: Writing Speeches (8% marks)

Speeches - Welcome Speech, Thank You speech / Vote of thanks, Speech at an inaugural function (4-5 lectures)

Unit 5: Company Secretarial Correspondence (17% marks)

What is a meeting; different types of meetings; conduct of a meeting; agenda and minutes of a meeting;

Report Writing – Types of Reports - On completion of a job, Routine reports (9-10 lectures)

Recommended Readings:

Bowman J. P. & Branchaw B. P.: *Business Report Writing*, Holt–Saunders, International ed.

Crannell K. C. (2000): *Voice and Articulation*, California, Wadsworth, 4e

Doctor R. & Doctor A. (1987): *The Principles and Practices of Business Communication*, Mumbai, Sheth

Grobeck B. E., German K., Ehninger D. & Monroe A. H. (1992): *Principles of Speech Communication*, New York, HarperCollins

Fischer D.: *Communication in Organisations*, New Delhi, Jaico

Jones L. & Alexander R. (1996): *New International Business English – Workbook*, Cambridge, Cambridge University Press

Pradhan N. S. & Pradhan H. (2005): *Business Communication*, Mumbai, Himalaya

Rai U. & Rai S.M. (2002): *Business Communication*, Mumbai, Himalaya

Ramachandra K., Chandrashekar B. & Shivakumar S. (2005): *Business Communication*, Mumbai, Himalaya

Rao N. & Das R. P. (2005): *Communication Skills*, Mumbai, Himalaya

Verderber R. F. (2000): *The Challenge of Effective Speaking*, California, Wadsworth

Wardaugh R. (2003): *Understanding English Grammar: A Linguistic Approach*, Massachusetts, 2e

Wright C. (ed.) (2003): *Handbook of Practical Communication Skills*, Mumbai: Jaico

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QUANTITATIVE TECHNIQUES - I

Objectives: to develop the student's quantitative skills; to make the student proficient in various mathematical techniques which are essential and useful in the world of business and finance.

Unit 1: Theory of equations **(20% marks)**

Meaning, types of equations – simple linear and simultaneous equations (only two variables) eliminations and substitution method only;
Quadratic equation - factorization and formula method ($ax^2 + bx + c = 0$ form only) Problems on commercial application. (12-14 lectures)

Unit 2: Progressions **(17% marks)**

Arithmetic progressions - finding the n^{th} term of an AP and also sum to 'n' terms of an AP, Insertion of Arithmetic means in given terms of AP and representation of AP.
Geometric progression: finding n^{th} term of GP, Insertion of GMs in given GP and representation of GP. (9-10 lectures)

Unit 3: Commercial Arithmetic - I **(13% marks)**

Ratio and Proportion, Percentages
Discount, Commission and Brokerage; Profit & Loss (6-8 lectures)

Unit 4: Commercial Arithmetic - II **(25% marks)**

Simple interest, compound interest (including half yearly and quarterly calculation), annuity; Discounting, Present and Future value (14-15 lectures)

Unit 5: Linear Algebra **(25% marks)**

Vectors and Matrices - Operations; Determinants – Inverse; Cramer's Rule (14-15 lectures)

Recommended Readings

- Arora P. N. & Arora S. (2006): *Mathematics, CA - Professional Education (Course-I)*, [Chapter 11 – Mathematics of Finance], New Delhi, Sultan Chand, 9e
Dikshit A. & Jain J. K. (2005): *Business Mathematics*, Mumbai, Himalaya, 1e
Goel A. & Goel A. (2005): *Mathematics and Statistics for CA Professional Examination*, New Delhi, Taxmann, 3e

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ESSENTIALS OF MANAGEMENT - I

Objectives: To introduce the student to the nature of business management; to familiarize the student with the functions and roles of a modern manager; to emphasize the social responsibility of business and business ethics, using case studies to supplement classroom teaching with real-life applications

Unit 1: Nature of Management (25% marks)

Meaning & Definitions of Management; Characteristics; Need and importance; Management v/s Administration; Management – Art, Science, Profession; Excellence in Management; Levels of Management; Managerial Skills – Technical, Human & Conceptual; The Manager today – New Challenges; Management for the future (14-15 lectures)

Unit 2: Functions of Management (25% marks)

Classification; Planning – Meaning, importance, steps, Essentials, Limitations; Organising – Meaning, MBO, Principles, Types, Organisation Chart, Delegation of Authority, Span of Control, Centralisation, Decentralisation, Departmentation; Decision Making – Meaning, importance, steps, Types, Techniques; Controlling – Meaning, Process, Essentials (14-15 lectures)

Unit 3: Managerial Role (25% marks)

Leadership – Meaning, Need, Functions, Qualities, Styles, Theories – Trait, Behavioural, Situational; Motivation – Meaning, Importance, Theories – Need Hierarchy, X & Y, Herzberg's; Communication – Meaning, Importance, Types, Barriers, Overcoming barriers, Guidelines; Co-ordination, Direction, Staffing, Budgeting (in brief) (14-15 lectures)

Unit 4: Social Responsibilities of Management (15% marks)

Meaning; Levels of Social Responsibility; Various interest groups; Arguments for and against Social Responsibility; Social Audit; Case Studies (8-10 lectures)

Unit 5: Business Ethics (10% marks)

Meaning & Definition; Need & Importance; Principles of Ethics; Factors; Code of Ethics – Guidelines; Business Ethics in India – Case Studies (5-6 lectures)

Recommended Readings

- Appleby R. (1994): *Modern Business Administration*, London, Pitman, 6e
Burton G. & Thakur M. (1996): *Management Today – Principles & Practices*, New Delhi, Tata McGraw-Hill
Chakraborty S. K. (2005): *Ethics in Management – Vedantic Perspectives*, New York: OUP
Chandan J. S. (1997): *Management Theory & Practice*, New Delhi, Vikas
Hasmer, La Rue & Tone (1989): *The Ethics of Management*, New Delhi, Universal
Menezes F. (1981): *Cases in Management*, New Delhi, Tata McGraw-Hill, 2e
Parmanand (2005): *A Handbook of Management*, Jaipur, ABD, 1e
Prasad L. M. (1998): *Principles of Management*, New Delhi, Sultan Chand & Sons
Ramasamy T. (2002): *Principles of Management*, Mumbai, Himalaya, 4e
Sherlekar S. A., Appannaiah H. R. & Reddy P. N. (2003): *Business Management*, Mumbai, Himalaya, 1e
Srinivasan R. & Chunawalla S. A. (1998): *Management Principles and Practice*, Mumbai, Himalaya, 4e
Stoner J. & Freeman E. (1994): *Principles of Management*, New Delhi, Prentice-Hall, 5e
Suri R. K. & Chhabra T. N. (1999): *Management and Organization*, New Delhi, Vanity

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ESSENTIALS OF ACCOUNTING – I

Objectives: To enable students to understand the principles and practices of accounting. At the end of the semester they will be able to prepare the Final accounts of a Sole trading concern and a Partnership firm.

Unit 1: Introduction **(20% marks)**

Basic concepts of Accounting: Introduction, Meaning, Definition; Accounting Principles – Standards, Concepts, Conventions, Accounting equation; Systems of Accounting – Cash System, and Mercantile System, Accounting as Information System – users of accounting information (11-12 lectures)

Unit 2: Accounting Procedure **(20% marks)**

Transaction/Event; Voucher – meaning, different types of vouchers – Receipt (Credit) Voucher, Payment (Debit) Voucher, Journal (Accrual) Voucher; Journal, Subsidiary Books, Ledger, Cash Book, Trial Balance, Bank Reconciliation Statements. (11-12 lectures)

Unit 3: Depreciation Accounting **(20% marks)**

Meaning, Methods of Depreciation – Straight-line method, Reducing Balance method, Annuity method, Sinking Fund method, Insurance Policy method, Machine Hour Rate, Replacement Method, Revaluation method and depletion method (practical problems on first 5 methods only) (11-12 lectures)

Unit 4: Valuation of Inventory **(20% marks)**

Meaning of inventory, Methods of Inventory Valuation – FIFO, LIFO, Weighted Average and Simple Average methods; Physical Stock taking (11-12 lectures)

Unit 5: Preparation of Financial Statements **(20% marks)**

Preparation of financial statements – in horizontal & vertical form along with separate schedules (11-12 lectures)

Recommended Readings:

Gupta R. L. (1982): *Problems and Solutions in Advanced Accounting*, New Delhi, Sultan Chand, 8e

Hanif M. & Mukherjee A. (2000): *Modern Accountancy (Volumes I & II)*, New Delhi, Tata McGraw-Hill, 2e

Maheshwari S. N. (2001): *Advanced Accounting*, New Delhi, Vikas, 8e

Shukla M.C. & Grewal T. S. (1996): *Advanced Accounting*, New Delhi, Sultan Chand, 13e

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BUSINESS ECONOMICS - I

Objective: to give students an understanding of the basic tools of economics and their application in business; to develop students' analytical abilities in the area of business microeconomics

Unit 1: Introduction (8% marks)

Introduction to Economics – definition, scope and subject-matter; basic economic problems; Microeconomics & Macroeconomics; meaning & scope of business economics; basic concepts in economics; market and command economies (3-4 lectures)

Unit 2: Demand & Supply Analysis (30% marks)

a) Demand Analysis – concept, determinants and demand function, law of demand, demand schedule and demand curve, exceptions to law of demand, individual and market demand, rationale for law of demand (brief explanation of price effect, income effect and substitution effect); demand distinctions; elasticity of demand – types (price, income, cross and promotional), measurement, determinants and uses of concept of elasticity (14-16 lectures)

b) Supply Analysis – concept, determinants and supply function, law of supply, supply schedule and supply curve; elasticity of supply (2-3 lectures)

Unit 3: Production & Cost Analysis (27% marks)

a) Production – meaning, production function – short-run and long-run; concepts – total, marginal and average product, inter-relationship; law of variable proportions – schedule and diagram, stages; Returns to scale – increasing, decreasing and constant returns to scale; economies and diseconomies of scale (12-14 lectures)

b) Cost Analysis: Concepts – private and social cost, opportunity cost, money cost, economic and accounting costs; short run costs and long run costs – fixed and variable, total, average and marginal; cost schedules and cost curves (6-7 lectures)

Unit 4: Markets (20% marks)

Meaning; revenue concepts and curves; types of market structures – perfect competition, monopoly, monopolistic competition, oligopoly – features; short-run and long-run price-output decisions of the firm under each market structure, cartels and price leadership under oligopoly; price discrimination – meaning and conditions (10-12 lectures)

Unit 5: Pricing (15% marks)

Price-Output determination, Equilibrium Analysis – shifts in demand and supply and impact on equilibrium; time element; Pricing methods – cost-plus pricing, skimming price and penetration price, administered prices, dual prices, pricing over the life-cycle of a product. (8-10 lectures)

Recommended Readings:

Begg D., Fischer S. & Dornbusch R. (1984): *Economics*, London, McGraw-Hill

Colander D. C. (1994): *Economics*, Boston, Irwin

Dean J. (1992): *Managerial Economics*, New Delhi, Prentice-Hall of India

Mehta P. L. (1999): *Managerial Economics – Analysis, Problems & Cases*, New Delhi, Sultan Chand & Sons, 6e

Salvatore D. (1999): *Managerial Economics*, London, McGraw-Hill

Samuelson P. & Nordhaus W. (2000): *Economics*, New Delhi, Tata McGraw-Hill, 16e

Taylor J. B. (2000): *Economics*, New Delhi, A.I.T.B.S. 2e

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INDIAN FINANCIAL SYSTEM

Objectives of the course: to acquaint students with the structure and components of the Indian Financial System; to familiarize students with different types of financial institutions and their place in the Indian Financial System

Unit 1: Introduction **(10% marks)**

Nature, structure & composition of the Indian Financial System; role of the financial system in economic growth & development; financial development – meaning, Concepts and Indicators of financial development (4-6 lectures)

Unit 2: Commercial Banks **(30% marks)**

Structure of the Indian banking system – scheduled and non-scheduled banks; commercial and cooperative banks

Commercial Banks – growth, development and weaknesses of the Indian commercial banking system from nationalization to reforms (in brief); banking sector reforms and developments in banking since the 1990s; relative importance of Public Sector Banks, Private sector banks and foreign banks (16-18 lectures)

Unit 3: Cooperative Banks & Regional Rural Banks **(25% marks)**

Cooperative banks - features, types, cooperative banking structure; problems faced by cooperative banks in India; recent developments in cooperative banking sector in India

Regional Rural Banks - features, relative importance in Indian banking; problems, recent developments in Regional Rural Banks (14-15 lectures)

Unit 4: Reserve Bank of India **(15% marks)**

Functions of RBI as India's Central Bank – traditional and promotional functions; RBI's Monetary Policy; Instruments of credit control/monetary policy – Quantitative (variable reserve requirements, open market operations, Bank rate, Liquidity Adjustment Facility through repo and reverse repo rate) and Qualitative controls (9-10 lectures)

Unit 5: Non-Banking Financial Institutions **(20% marks)**

Development Banks – role in India's economic development;

Non-Banking Financial Intermediaries – difference between banking and non-banking financial intermediaries; various types of NBFIs in India; Small Savings Instruments – types and importance in India; Provident Funds – meaning, types and importance in India; Pension Funds – meaning and importance in India (12-14 lectures)

References:

Baye M. R. & Jansen D. W. (1996): *Money, Banking and Financial Markets – An Economic Approach*, New Delhi, A.I.T.B.S.

Bhole L. M. & Mahakud J. (2009): *Financial Institutions and Markets: Structure, Growth & Innovations*, New Delhi, Tata-McGraw Hill, 5e

Burton M. & Lombra R. (2000): *The Financial System and the Economy: Principles of Money and Banking*, Australia, South-Western College

Pathak B. V. (2008): *Indian Financial System*, New Delhi, Pearson, 2e

Desai V. (2005): *The Indian Financial System and Development*, Mumbai, Himalaya

Eichberger J. & Harper I. R. (1997): *Financial Economics*, Oxford, OUP

Khan M. Y. (2004): *Indian Financial System*, New Delhi, Tata-McGraw Hill, 4e

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FUNDAMENTALS OF BUSINESS COMPUTER APPLICATIONS

Objectives: To familiarize the students with computers and their use, and make them proficient in the use of software packages that are relevant to business, finance and accountancy

Unit 1: Fundamental Concepts (8% marks)

Introduction to Computer Systems – Block Diagram of a computer, basic functions of each component, Classification of Digital computers based on size, Uses of computers; Operating System Basics - Role of Operating system, Features of well known PC operating systems; Networks & Data Communication - The Uses of a Network, How Networks are structured, Network Topologies, Media & Hardware; The Internet & Online Resources - How Internet works, Features of the Internet, Accessing the Internet, Working on the Internet

Unit 2:

a) Word processing: MS-WORD: (17% marks)

Editing and Formatting a Document - Text Formatting; Paragraph Formatting; Headers and Footers; FIND command & REPLACE command; Checking Spelling and Grammar; On-line Spelling and Grammar correction using Auto correct; Auto Text; Using Thesaurus; Using Clip Gallery; Inserting Graphics From files; Working with Tables - Entering Text in the Table; Creating Table with Insert Table Button; Formatting Table - Changing Format of Text of cells, Changing Column width and Row height, Formatting Table Border; Using Mail Merge - Mail Merge Procedure; Printing a Document

b) Spreadsheets: MS-EXCEL: (17% marks)

Basic Operations - Arithmetic operators, Comparison operators, Text operator & (ampersand) Reference operator; Modifying the worksheet layout - Changing Width of Column, Changing Height of Row, Deleting Rows/Columns/Cells, Moving and copying contents of cell, Alignment of text in the cell; Printing the workbook - Setting up Print Area, Setting up Margins, Defining Header and Footer, Controlling Gridlines; Working with functions - Date and time function, Statistical function, Financial function, Mathematical and Trigonometric functions, Lookup and Reference Functions, Data Base functions, Text function, Logical functions; Introduction to CHARTS - Formatting Charts; Working with MACRO; Importing and exporting files

Unit 3: Database Management System & Business Presentation Packages:

a) MS-ACCESS: (17% marks)

Introduction: The need for Data Base Management System - Drawbacks in file-based system, What are Data Bases? What is Data Base Management System (DBMS)? Advantages of Data Base Approach using DBMS, Limitations of Data Bases, Data Base Models - Hierarchical Data Bases, Network Data Bases, Relational Data Bases, Activating DBMS; Creation of Database Files; Opening a Database file & viewing records; Addition, Deletion or Modification of records; Query Manipulation', Generation of Forms and Reports

b) MS-POWERPOINT (8% marks)

Creating a presentation slide; Design Templates and Blank presentations; Working with the text in a slide; Arranging Text in Different Levels; Changing Font, Font Size and Bold; Moving the frame and inserting clip art; Different slide layouts; Formatting the Slide Design; Work with the Slide Master; Saving the presentation; The Auto Content Wizard; Using Existing Slides; Using the different views of a slide; Running Slide Show: Adding Transitions and Animation; Power Point standard toolbar buttons

Unit 4: Tally**(25% marks)**

Company Information - Introduction, Objectives, Starting Tally, Creating a Company, Selecting a Company, Altering a Company, Closing a Company, Accounts Information, Account Groups, Creating Ledger Accounts, Display Ledger Accounts, Altering a Ledger Account, Deleting Ledger Accounts, Multiple Ledgers, Exit from Tally; Voucher Entry – Introduction, Objectives, Voucher Types, Steps to Make a Voucher Entry, Receipt Voucher, Payment Voucher, Contra Voucher, Purchase Voucher, Sales Voucher, Journal Voucher, Credit Note, Debit Note, Journal, Stock Journal, Physical Stock Voucher, Memo Voucher, Reversing Journals, Displaying Vouchers, Altering Vouchers, Deleting Vouchers; Reports - Introduction, Objectives, Balance Sheet, Profit and Loss Account, Stock Summary, Day Book, Account Books: Cash Book, Bank Book, Ledger, Group Summary, Sales Register, Purchase Register, Journal Register; Outstanding Receivable/Payable Statements, Inventory Books, Statements of Inventory, Cash Flow/Funds Flow

Unit 5: Management Information Systems**(8% marks)**

Need for MIS; use of computers for MIS; decision support systems

Recommended Readings

- Agarwal N. (2002): *Financial Accounting on Computers using Tally*, New Delhi, DreamTech Press
- Cassell P. & Palmer P. (2000): *Teach Yourself Microsoft Access 2000 in 21 Days*, New Delhi, Techmedia
- Curtin D. (1998): *Information Technology - The Breaking Wave*, New Delhi, Tata McGraw-Hill
- Jain S. (1999): *'O' Level Module-I Made Simple Information Technology*, New Delhi, BPB
- Jain V. K. (2000): *'O' Level Module-I Information Technology*, New Delhi, BPB
- Madan S. (2003): *Students Guide to Information Technology*, New Delhi, Taxmann
- Nadhani K. K. (2000): *Implementing Tally 5.4*, New Delhi, BPB
- Silberschatz & A. Korth (1996): *Database System Concepts*, New York, McGraw-Hill
- Simpson A. & Robinson C. (1999): *Mastering Access 2000*, New Delhi, BPB
- Taxali R. K. (1997): *P C Software Made Simple*, New Delhi, Tata McGraw-Hill

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SEMESTER II

ENVIRONMENTAL STUDIES

Unit 1: The Multi-Disciplinary Nature of Environmental Studies

Definition, scope and importance; need for public awareness (2 lectures)

Unit 2: Natural Resources

Renewable and Non-renewable resources: natural resources and associated problems

- a) Forest Resources: use and over-exploitation; deforestation; case studies; timber extraction, mining, dams and their effects on forest and tribal people
- b) Water Resources: use and over-exploitation of surface and ground water; floods, droughts; conflicts over water; dams- benefits and problems
- c) Mineral Resources: use and exploitation; environmental effects of extracting and using mineral resources; case studies
- d) Food Resources: World food problems; changes caused by agriculture and overgrazing; effects of modern agriculture; fertilizer-pesticide problems; waterlogging, salinity; case studies
- e) Energy Resources: growing energy needs; renewable and non-renewable energy sources; use of alternative energy sources; case studies
- f) Land Resources: land as a resource; land degradation; man-induced landslides, soil erosion and desertification

Role of an individual in conservation of natural resources; equitable use of resources for sustainable lifestyles (8 lectures)

Unit 3: Ecosystems

Concept of an ecosystem; structure and functions of ecosystems; producers, consumers and decomposers; energy flow in the ecosystem; ecological succession; food chains, food webs and ecological pyramids

Introduction, types, features, structure and functions of the following ecosystems: forest ecosystem, grassland ecosystem, desert ecosystem, aquatic ecosystem (ponds, streams, lakes, rivers, seas, estuaries) (6 lectures)

Unit 4: Biodiversity and its Conservation

Introduction – definition, genetic, species and ecosystem diversity; bio-geographical classification of India; value of biodiversity – consumptive use productive use, social, ethical, esthetic and option values; biodiversity at local, regional, national and international levels; India as a mega-diversity nation; hotspots of biodiversity; threats to biodiversity – habitat loss, poaching of wildlife, man-wildlife conflicts; endangered and endemic species of India; conservation of biodiversity – in-situ and ex-situ conservation (8 lectures)

Unit 5: Environmental Pollution

Definition; causes, effects and measures to control air pollution, water pollution, soil pollution, soil pollution, marine pollution, noise pollution, thermal pollution, nuclear hazards; solid waste management – causes, effects and measures to control industrial and urban wastes; role of an individual in prevention of pollution; pollution case studies; disaster management – floods, earthquakes, landslides, cyclones (8 lectures)

Unit 6: Social Issues and the Environment

From unsustainable to sustainable development; urban problems related to energy; water conservation, rainwater harvesting, watershed management; resettlement and rehabilitation of

people – problems and concerns, case studies; environmental ethics – issues and possible solutions; climate change, global warming, acid rain, ozone layer depletion, nuclear accidents and holocaust, case studies; wasteland reclamation; consumerism and waste products; Environment Protect Act; Air (Prevention and Control of Pollution) Act; Water (Prevention and Control of Pollution) Act; Wildlife Protection Act; Forest Conservation Act; Issues involved in enforcement of environmental legislation; public awareness (7 lectures)

Unit 7: Human Population and the Environment

Population growth, variation among nations; population explosion – Family Welfare Programme; environment and human health; human rights; value education; HIV/AIDS; women and child welfare; role of Information Technology in environment and human health; case studies (6 lectures)

Unit 8: Tourism as a Commercial Activity

Definition and typology of tourism; role of environment in the functioning of tourism; aspects of degradation and exploitation; physical and social impacts of tourism; examples at local, regional, national and international levels (8 lectures)

Unit 9: Field Work

Visit to a local area to document environmental assets – river / forest / grassland / hill / mountain; visit to a local polluted site – urban / rural / industrial / agricultural; study of common plants, insects, birds; study of simple ecosystems – pond / river / hill slopes, etc. (field work equal to 5 lecture hours)

Recommended Readings

- Agarwal K.C. (2001): *Environmental Biology*, Bikaner, Nidi
- Bharucha E.: *The Biodiversity of India*, Ahmedabad, Mapin
- Bharucha E.: *Textbook of Environmental Studies*
- Brunner R. C. (1989): *Hazardous Waste Incineration*, New York, McGraw-Hill
- Chatwal G. R. & Sharma H. (2005): *A Textbook of Environmental Studies*, Mumbai, Himalaya
- Clark R.S.: *Marine Pollution*, Oxford, Clanderson
- Cunningham W. P., Cooper T. H., Gorani E. & Hepworth M. T. (2001): *Environmental Encyclopaedia*, Mumbai, Jaico
- De A. K.: *Environmental Chemistry*, Wiley
- Desai R. J. (2003): *Environmental Studies*, Mumbai, Vipul
- Gleick H. P. (1993): *Water in Crisis*, Stockholm Env. Institute, OUP
- Hawkins R. E.: *Encyclopaedia of Indian Natural History*, Mumbai, BNHS
- Heywood V. H. & Watson R. T. (1995): *Global Biodiversity Assessment*, Cambridge University Press
- Jadhav H. & Bhosale V. M. (1995): *Environment Protection and Laws*, Mumbai, Himalaya
- McKinney M. L. & Schoel R. M. (1996): *Environment Science, Systems and Solutions*, Web Enhanced Edition
- Mhaskar A. K.: *Matter Hazardous*, Techno-Science Publications
- Miller T. G. Jr: *Environmental Science*, Wadsworth
- Odum E. P. (1971): *Fundamentals of Ecology*, Philadelphia, W. B. Saunders
- Rao M. N. & Datta A. K. (1986): *Waste Water Treatment*, Oxford & IBH
- Santra S. C. (2004): *Environmental Science*, Kolkata, Central Book Agency
- Sharma B. K (2001): *Environmental Chemistry*, Meerut, Goel Publishing House
- Townsend C., Harper J. & Begon M. (): *Essentials of Ecology*, Blackwell Science
- Trivedi R. K.: *Handbook of Environmental Laws, Rules, Guidelines, Compliances and Standards*, Vol.1 & 2, Enviro Media

Trivedi R. K. & P. K. Goel: *Introduction to Air Pollution*, Techno-Science Publications
Wagner K. D. (1998) *Environmental Management*, Philadelphia, W. B. Saunders

Magazines

Down to Earth, Centre for Science & Environment
Survey of the Environment, The Hindu

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QUANTITATIVE TECHNIQUES - II

Objectives: to develop the students' quantitative skills and make them proficient in various statistical techniques which are useful in the world of business and finance.

Unit 1: Measures of Central Tendency **(15% marks)**

Introduction to Statistics - Definition of Statistics – Scope, Importance, Limitations; Meaning, Objectives, Requisites of a good average; Arithmetic mean, median, mode (without grouping); Geometric mean (mention specific applications in Business and Economics); Harmonic mean (Application); Weighted average, merits and demerits; Quartiles, deciles, percentiles

(8-10 lectures)

Unit 2: Measures of Dispersion **(20% marks)**

Meaning, Objectives, Requisites of a good measure of dispersion; Absolute and relative measures of dispersion – range, quartile deviation, mean deviation and standard deviation; Coefficient of variation – merits and demerits;

(12-14 lectures)

Unit 3: Correlation and Regression Analysis **(25% marks)**

a) **Correlation:** Meaning, Uses, types of correlation; Methods of studying correlation scatter diagram, Karl Pearson's coefficient of correlation (ungrouped data only), Spearman's rank correlation coefficient, properties of Pearson's coefficient of correlation (7-8 lectures)

b) **Linear Regression:** Regression coefficients; Relation between correlation and regression coefficients (7-8 lectures)

Unit 4: Elements of Probability & Distribution **(20% marks)**

Experiments, events, definition of Probability; Addition and Multiplication Theorem; Mathematical Expectation

Binomial, Poisson and Normal Distribution (10-12 lectures)

Unit 5: Index Numbers **(20% marks)**

Classification – Construction of Index Numbers – Methods of constructing Index Numbers – Simple Aggregative Method, Simple Average of Price Relative Method, Weighted index method; Price Index & Share Price Index (12-14 lectures)

Recommended Readings

Anderson D. R., Sweeney D. J. & Williams T. A. (2002): *Essentials of Statistics for Business and Economics*, London, South-Western College Publishing, 2e

Jhamb L. C. (1987): *Cases and Problems in Quantitative Techniques*, Pune, Everest Pub.

Mithani D. M. (2001): *Quantitative Techniques*, Mumbai, Himalaya

Schaum's Outline (1972): *Theory & Problems of Statistics*, New York, McGraw-Hill

Tulsian P. C. (2002): *Quantitative Techniques*, New Delhi, Pearson Education Asia

Vohra N. D. (1990): *Quantitative Techniques in Management*, New Delhi, McGraw-Hill

[BACK](#)

ESSENTIALS OF MANAGEMENT – II

Objectives: To acquaint the student with the basic concepts, principles, practices and strategies of business management, using case studies to supplement classroom teaching with real-life applications

Unit 1: Management Concepts and Principles **(25% marks)**

Need for management concepts; management principles – importance of management principles, universality of management principles; emerging principles of management; managerial profiles – biographies of leading industrialists (14-16 lectures)

Unit 2: Organizational Environment **(20% marks)**

Introduction; meaning; external environment – factors; internal environment – factors; environmental management; global environment; international business – changing scenario, international manager; case studies (12-14 lectures)

Unit 3: Management of Change **(20% marks)**

Meaning, definition; types; process – resistance to change – causes, guidelines; planned change – process; organizational development – definition, characteristics, objectives, need, steps; case studies (12-14 lectures)

Unit 4: Team Work & Conflict Management **(20% marks)**

Nature of teams – types, reasons, stages; conflicts – meaning, causes, types; conflict management (12-14 lectures)

Unit 5: Management Audit **(15% marks)**

Introduction; meaning, definition; objectives; scope; need; qualifications; report; management audit versus statutory audit (6-8 lectures)

Recommended Readings:

Chandan J. S. (1997): *Management Theory and Practice*, New Delhi, Vikas

Chandan J. S. (1997): *Management Concepts and Strategies*, New Delhi, Vikas

Prasad M. (2003): *Management Concepts and Practices*, Mumbai, Himalaya

Sadler P. (1996): *Managing Change*, London, Kogan

Sherlekar S. A., Appannaiah H. R. & Reddy P. N. (2003): *Business Management*, Mumbai, Himalaya, 1e

[BACK](#)

ESSENTIALS OF ACCOUNTING – II

Objectives: To familiarize students with various aspects and details of Company accounts. They would also learn about the formulations of mergers and acquisitions of companies.

Unit 1: Company Accounts (25% marks)
Accounting for Shares – issue of shares including Preference Shares; Accounting for Debentures; Preparation of Annual Financial Statements (Vertical Statement) with Schedules.
(10-12 lectures)

Unit 2: Financial Statement Analysis (25% marks)
Preparation of Funds Flow & Cash Flow Statements; Calculation of various ratios
(10-12 lectures)

Unit 3: Valuation of Shares & Goodwill (20% marks)
Method of Valuation of Goodwill; Method of Valuation of Shares
(10-12 lectures)

Unit 4: Accounting for Mergers & Acquisitions (20% marks)
Amalgamation, Absorption and Reconstruction of Companies – entries in the books of both parties
(10-12 lectures)

Unit 5: Accounting for Buyback and Stock Splits (10% marks)
Buyback methods, provisions in the buyback code (theory only) (10-12 lectures)

Recommended Readings:

- Gupta R. L. (1982): *Problems and Solutions in Advanced Accounting*, New Delhi, Sultan Chand, 8e
- Hanif M. & Mukherjee A. (2000): *Modern Accountancy (Volumes I & II)*, New Delhi, Tata McGraw-Hill, 2e
- Jha A. (2003): *Student's Guide to Auditing*, New Delhi, Taxmann
- Maheshwari S. N. (2001): *Advanced Accounting*, New Delhi, Vikas, 8e
- Sharma S. D. & Majumdar A. K. (2003): *Auditing Principles & Practice*, New Delhi, Taxmann
- Shukla M. C. & Grewal T. S. (1996): *Advanced Accounting*, New Delhi, Sultan Chand, 13e

[BACK](#)

BUSINESS ECONOMICS - II

Objectives: to familiarize students with the basic concepts of macroeconomics and its relevance for business decision-making

Unit 1: Introduction to Macro Economics **(13% marks)**

Nature, Scope, Macroeconomic Issues in an economy; Introduction to National Income Accounting - Concepts of GDP and National Income; Measurement of National Income and Related Aggregates; Nominal and Real Income, Limitations of the GDP concept

(6-8 lectures)

Unit 2: National Income Determination **(25% marks)**

Actual and potential GDP; Aggregate Expenditure – Consumption Function & Investment Function; Equilibrium GDP; Concepts of marginal and average propensities to save and consume; Autonomous Expenditure: Concept of Multiplier & accelerator

National Income Determination in an Open Economy with Government - Fiscal Policy – Impact of Changes in Govt. Expenditure and Taxes; Net Export Function: Net Exports and Equilibrium GDP.

(12-15 lectures)

Unit 3: Money and Banking **(25% marks)**

Definitions of Money; Functions of Money;

Demand for Money - Classical and Keynesian Approaches towards the Demand for Money;

Supply of Money - Role of Government, Central Bank & commercial banks (process of Multiple Credit Creation)

Near Money; RBI's measures of money supply

Value of money; the Quantity Theory of money; the Cash Balance Approach; Milton Friedman's Approach

(12-15 lectures)

Unit 4: Business Cycles **(17% marks)**

Meaning and Features; Phases of a Business cycle; Theories of Business Cycles; Anti-Cyclical monetary and fiscal policies.

(8-10 lectures)

Unit 5: Inflation and Deflation **(20% marks)**

Inflation - Meaning and nature, Types, Causes & Consequences of inflation; Deflation - Causes and Consequences

The Philips Curve;

Stagflation - Policy dilemma - new policy options and income policies; Elements of supply side Economics as a response to the problems of stagflation

(10-12 lectures)

References:

- Diulio E. (1998): *Macroeconomics*, Schaum's Outlines, New Delhi, Tata McGraw-Hill, 3e
Dornbusch R., Fischer S. & Startz R. (1998): *Macroeconomics*, New Delhi, Tata McGraw-Hill, 7e
Farmer R. E. A. (2002): *Macroeconomics*, Singapore, Thomson-SouthWestern, 2e
Hyman D. (1992): *Economics*, Boston, Irwin, 2e
Mankiw N. G. (2000): *Macroeconomics*, New York, Worth, 4e
Mittal A. (2006): *Macroeconomics*, New Delhi, Taxmann
Nag A. (2005): *Macroeconomics for Management Students*, New Delhi, Macmillan, 2e
Samuelson P. & Nordhaus W.: *Economics*, New Delhi, Tata McGraw-Hill, (most recent ed.)

[BACK](#)

FINANCIAL SERVICES - I

Objectives: to introduce students to fund-based financial services provided by financial companies, their salient features and importance, and their present position in the Indian financial sector.

Unit 1: Introduction **(10% marks)**

Meaning of Financial Services, Classification and types of financial services – asset/fund-based services and fee-based/advisory services, Importance of financial services; growth and development of financial services in India (5-6 lectures)

Unit 2: Mutual Funds **(25% marks)**

Meaning, Nature and organization of a mutual fund, types of schemes, valuation of units, advantages of investing in a mutual fund; Mutual Funds in India – growth, performance, problems, prospects, regulatory framework (13-14 lectures)

Unit 3: Hire Purchase Finance & Housing Finance **(25% marks)**

Hire Purchase Finance - meaning, concepts of hire purchase finance, installment credit and consumer credit; sources of finance in India

Housing Finance – need, nature of housing finance, fixed and floating rate home loans; sources of housing finance in India, growth of housing finance in India; Role of National Housing Bank; concept of mortgage and reverse mortgage; housing loans and mortgage loans, types of mortgage loans (13-14 lectures)

Unit 4: Factoring & Forfaiting **(20% marks)**

Factoring - meaning, mechanism, types of factoring agreements; advantages and disadvantages of factoring; factoring v/s bill discounting; factoring in India

Forfaiting - meaning, mechanism; factoring v/s forfaiting (13-14 lectures)

Unit 5: Lease Finance & Venture Capital Finance **(20% marks)**

Lease Financing - Meaning, definition and types of lease agreements; advantages and disadvantages from the point of view of lessor and lessee; purchase v/s leasing, borrowing v/s leasing; lease finance in India

Venture Capital Financing – meaning, importance/need, scope of venture capital finance; venture capital v/s angel investors; Venture capital in India (11-12 lectures)

Recommended Readings:

Agarwal O. P. (2005): *Environment and Management of Financial Services*, Mumbai, Himalaya

Batra G. S. (1999): *Financial Services: New Innovations*, New Delhi, Deep & Deep

Bhole L. M. & Mahakud J. (2009): *Financial Institutions and Markets: Structure, Growth & Innovations*, New Delhi, Tata-McGraw Hill, 5e

Khan M. Y. (2004): *Financial Services*, New Delhi, Tata McGraw-Hill

Mantravadi P. (2001): *Financial Services*, Hyderabad, ICFAI

Pathak B. V. (2008): *Indian Financial System*, New Delhi, Pearson, 2e

Rose P. S. (1993): *Financial Institutions: Understanding and Managing Financial Services*, Boston, Irwin

Shiva Ramu S. (1995): *Global Financial Services*, New Delhi, South Asia Pub.

<http://business.mapsofindia.com/india-mortgage>

[BACK](#)

BANKING OPERATIONS

Objective: to give the student an understanding of the functioning of commercial banks; to familiarize the student with the practical aspects of banking

Unit 1: Functions of Banks: Accepting Deposits (10% marks)

Types of deposits - saving, current, fixed, recurring, pigmy and other deposits; d-mat accounts; deposits at call and short notice

KYC norms to be followed while opening accounts (6-8 lectures)

Unit 2: Functions of Banks: Deployment of Advances & Other functions (15% marks)

Types of advances – loans, cash credit, bank overdraft, temporary overdraft, clean & secured advances, bridge loans, participation loans, purchase of bills, bill discounting

Secondary functions – general utility & agency functions (8-10 lectures)

Unit 3: Secured Advances & Modes of creating charge (25% marks)

Principles of Secured Advances; Precautions to be taken by the banker while advancing against Documents of Title to Goods, Real estate, Fixed Deposit Receipt, Gold and Silver Bullion, Supply Bills, Life Insurance Policy, Shares, Agricultural Produce

Lien, Pledge, Hypothecation, Mortgage - Features and Differences (14-16 lectures)

Unit 4: Bank Instruments; Paying and Collecting Banker (25% marks)

Cheque – Meaning, requisites, types, crossing; demand draft; bank draft/pay order (working of all);

Precautions in Payment of Customer's Cheques - Paying Banker's Duties and Rights; Statutory Protection to Paying Banker; Payment of forged Cheque; Return of Cheques

Precautions in Collecting Customer's Cheque - Collecting Banker's Duties and Rights; Statutory Protection to Collecting Banker (14-16 lectures)

Unit 5: Banker-Customer Relationship (25% marks)

Definition of Banker, Definition of customer, Relationship between banker and customer, Types of customers and procedure involved in opening of accounts - individual, joint account, sole trading concern, partnership firm, private limited company, public limited company, local authorities; Termination of relationship between Banker and customer, Rights and obligations of the Banker towards the customer (14-16 lectures)

Recommended Readings:

Bedi H. L. & Hardikar V. K. (1993): *Practical Banking Advances*, New Delhi, UBS, 9e

Burton M. & Lombra R. (2000): *The Financial System and the Economy: Principles of Money and Banking*, Australia: South-Western College

Gordon E. & Natarajan K. (1998): *Banking Theory, Law and Practice*, Mumbai, Himalaya

Indian Institute of Banking and Finance (2008): *Principles & Practices of Banking*, New Delhi, Macmillan, 2e

ICFAI (2003): *Commercial Banking*, Hyderabad, ICFAI

Reddy P. N. & Appannaiah H. R. (1995): *Banking Theory and Practice*, Mumbai, Himalaya

Shekhar K. C. & Shekhar L. (1998): *Banking Theory and Practice*, New Delhi, Vikas, 18e

Varshney P. N. (2006): *Banking Law & Practice*, New Delhi, Sultan Chand & Sons, 21e

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Second Year BBS (Financial Services)

SEMESTER III

DIRECT TAXES

Objectives of the Course: To provide students with an understanding of the main provisions of the Income Tax Act, 1961, and keep them up to date on current developments in this area

Unit 1: Conceptual Framework and Exemptions (20% marks)

Conceptual Framework – Income, Agricultural Income, Residential status and incidence of tax; casual income.

Definitions: (1) Sec.2 (1A) Agricultural Income, (2) Sec.2 (2) Annual Value, (3) Sec.2 (7) Assessee, (4) Sec.2 (8) Assessment, (5) Sec.2 (9)

Assessment year, (6) Sec.2 (14) Capital Asset, (7) Sec.2 (13) Business (8) Sec. 2 (17) Company, (9) Sec. 2 (24) Income, (10) Sec. 2 (31) Person (11) Sec. 2 (47) Transfer, (12) Sec. 80 (B) (5) Gross Total Income. (13) Sec. 3 Previous year.

Sec. 5-Scope of Total Income Sec. 5A – Apportionment of income between spouses governed by Portuguese Civil code: Sec. 5 – Residence in India. (12-14 lectures)

Unit 2: Exemptions and Exclusions from Income: Sec. 10 (10% marks)

(1) Agricultural Income Sec. 10 (1)

(2) Income of HUF. Sec. 10 (2)

(3) Share in total income of the Firm Sec. 10 (2A)

(4) Travel Concessions from Employer Sec. 10 (9)

(5) Gratuity Sec.10 (10)

(6) Compensation received at the time of voluntary retirement Sec.10 (10C)

(7) Amount received under Life Insurance Policy Sec.10 (10D)

(8) Payment received from Provident Fund Sec. 10 (11)

(9) Payment received from an approved Superannuation Fund Sec10 (13)

(10) House Rent Allowances Sec. 10 (13A)

(11) Special Allowances for expenses Sec. 10 (14)

(12) Income by way of interest, premium etc., from securities issued by the Central Government, etc., Sec. 10 (15)

(13) Educational Scholarships Sec. 10 (21)

(14) Income of a Scientific Research Association, Sec. 10 (21)

(15) Income arising from transfer of units of Unit Scheme 1964 Sec. 10 (33)

(16) Income by way of Dividend Sec. 10 (34)

(17) Income from Mutual Funds Sec.10 (35)

(4-6 Lectures)

Unit 3: Computation of Income (25% marks)

Incomes from Salaries; Income from House property; Profit or Gains from business or profession

(1) Salaries Sec. 15,16 and 17 (Inclusive of Allowances – H.R.A. etc.)

(Exclusive of Valuation of perquisites)

(2) Income from House Property Sec. 22, 23, 24, 25, 25(AA), 25(B), 26 & 27

(3) Profits and gains of Business or profession Sec. 28, 29, 30, 31, 32

(Excluding Depreciation Rates).

Sec. 35 Expenditure on Scientific Research 35 A

Expenditure on Patents & Copyrights 35 D – Amortization of certain Preliminary Expenses

Sec. 36 Main Clauses (Excluding Sub-Sub clauses)

Sec. 37(1), (2), (2A), (2B), (3)
Sec. 40, 40A, 40A(3)
Sec. 43 (B)
Sec. 44(AB), 44(AD), 44(AE), 44(AF)

(16-18 Lectures)

Unit 4: Computation of Income

(20% marks)

Income from Capital gains and income from other sources; Deductions from gross total income

(1) Capital Gains: Sec. 45, 47, 48

(No practical problems on computation of capital gains).

(2) Income from other sources: Sec. 56, 57, 58

(Elementary problems on computation of income from other Sources)

(3) Deductions to be made in computing Total Income: Sec 80 C, Sec80 CCC, Sec 80CCD, Sec 80CCE, Sec. 80D, Sec. 80DD, Sec. 80E, 80G, Sec. 80U

(8-10 Lectures)

Unit 5: Computation of Total Income

(25% marks)

Computation of total income and tax payable of Individuals only

(15-17 lectures)

Recommended Readings:

Gaur V. P. (1974): *Income Tax Law & Practice*, Ludhiana, Kalyani Publishing House

Malhotra H. C.: *Income Tax Law and Practice*, Agra, Sahitya Bhawan

Manoharan T.N.: *Students Handbook to Income Tax Law*, New Delhi, Snow White

Narang G.: *Income Tax Law & Practice*, Ludhiana, Kalyani Publishing House

Prasad B. (2001): *Income Tax Law & Practice*, New Delhi, Wishwa

Singhania V. K. (2004): *Direct Taxes - Law and Practice*, New Delhi, Taxmann

[BACK](#)

COST ACCOUNTING

Objectives: To familiarize the students with the concepts and elements of cost and various methods used for cost accounting. At the end of the course, the student would be able to prepare a cost statement for any product.

Unit 1: Introduction to Cost Accounting **(10% marks)**

Meaning of Cost, Cost Accounting, Distinction between Cost Accountancy and Financial Accountancy, Advantages, Limitations and Importance of Cost Accountancy, Elements of Cost
(4-5 lectures)

Unit 2: Cost Statements **(30% marks)**

Preparation of Cost Statement; Estimated Cost Statement; Reconciliation of Costing profit with financial profit
(16-18 lectures)

Unit 3: Material Cost **(15% marks)**

Material Control System; Material Purchase Procedure; Stores Control, Functions of stores, Bin Card, Perpetual Inventory, Inventory Level, EOQ etc.; Material Issue Procedure
(10-12 lectures)

Unit 4: Accounting for Labour and Overheads **(15% marks)**

Accounting for Labour - Calculation of Wages – different methods of wage payments, Incentives, Bonus Schemes.

Classification of Overheads; Allocation, appropriation & absorption of overheads; Distribution of Overheads
(10-12 lectures)

Unit 5: Methods of Costing **(30% marks)**

Preparation of Process, Contract & Operating accounts
(16-18 lectures)

Recommended Readings:

Bhar B. K. (1993): *Cost Accounting*, Calcutta, Academic Press

Iyengar S. P. (1982): *Cost Accounting*, New Delhi, Sultan Chand

Jain S. P. & Narang G. (1995): *Cost Accounting*, Mumbai, Kalyani

Maheshwari S. N. (1980): *Problems and Solutions in Cost Accounting*, New Delhi, Sultan Chand

[**BACK**](#)

FINANCIAL SERVICES - II

Objectives: to introduce students to fee-based financial services provided by financial companies, their salient features and importance, and their present position in the Indian financial sector.

Unit 1: Merchant Banking (15% marks)

Merchant Banking – Meaning, nature and functions; merchant banking in India, role in issue management; classification and regulation of merchant bankers by SEBI (11-12 lectures)

Unit 2: Stock Broking & Depository Services (20% marks)

Stock Broking – meaning, types of stockbrokers, sub-brokers; stock broking in India
e-broking – meaning, Indian experience
Depository Services – meaning, role of depositories and their services, Advantages of depository system; Functioning of depository system; Depositories in India – NSDL & CSDL; Depository participants (DPs) and their role
Custodial services - meaning; obligations and responsibilities of custodians; code of conduct (11-12 lectures)

Unit 3: Credit Rating & Securitization (20% marks)

Credit Rating – meaning, rating methodology, importance of credit rating; credit rating agencies in India including Small & Medium Enterprises Rating Agency (SMERA)
Securitization of debt – Meaning, Features, Mechanism, Types, Special Purpose Vehicle, Benefits of Securitization, Issues in Securitization (8-9 lectures)

Unit 4: Marketing of Financial Services (25% marks)

Definition of marketing; four pillars of marketing (customer orientation, profit, total company effort, social responsibility); selling versus marketing
Segmentation – Concept, basis, strategies; Target market selection and market positioning strategies
Pricing Strategy - Role of price in marketing of financial services; pricing strategies; pricing decisions (14-15 lectures)

Unit 5: Marketing Mix for Financial Services (20% marks)

7 Ps - Product, People, Process, Promotion, Price, Place and Physical evidence (11-12 lectures)

Recommended Readings:

- Agarwal O. P. (2005): *Environment and Management of Financial Services*, Mumbai, Himalaya
Batra G. S. (1999): *Financial Services: New Innovations*, New Delhi, Deep & Deep
Bhole L. M. & Mahakud J. (2009): *Financial Institutions and Markets: Structure, Growth & Innovations*, New Delhi, Tata-McGraw Hill, 5e
Khan M. Y. (2004): *Financial Services*, New Delhi, Tata McGraw-Hill
Mantravadi P. (2001): *Financial Services*, Hyderabad, ICFAI
Pathak B. V. (2008): *Indian Financial System*, New Delhi, Pearson, 2e
Pezzullo M. N. (1998): *Marketing of Financial Services*, New Delhi, Macmillan
Rose P. S. (1993): *Financial Institutions: Understanding and Managing Financial Services*, Boston, Irwin
Seth R. K. (1997): *Marketing of Banking Services*, New Delhi

[BACK](#)

INDIAN SECURITIES MARKETS

Objectives: to make students aware of the various components and sub-components of the Indian securities markets, the instruments traded in these markets, the participants and procedures; the students would also learn about the role of the regulator and recent developments in the area.

Unit 1: Introduction (10% marks)
Financial Markets – meaning, classification into Money and Capital markets, Primary and Secondary markets, Organized and Unorganized markets (5-6 lectures)

Unit 2: Indian Money Market - I (20% marks)
Indian Money Market - Features, Structure & Composition, Sub-markets – Call Money Market, Treasury Bills Market, Commercial Bills Market (11-12 lectures)

Unit 3: Indian Money Market - II (20% marks)
Sub-markets – Market for Commercial Paper, Market for Certificates of Deposit, Discount Market, Gilt-edged securities market (11-12 lectures)

Unit 4: Primary/New Issue Market - I (25% marks)
Industrial securities – all types of shares, debentures, bonds, private equity; size, growth and trends in the New Issue Market in India (14-15 lectures)

Unit 5: Primary/New Issue Market - II (25% marks)
Capital issues for listing; eligibility; methods of issues; pricing of issues; contents of offer document; issue of advertisement; floatation of new issues and prospectus; Initial Public Offering; underwriting of issues; bankers to an issue; brokers to an issue (14-15 lectures)

Recommended Readings:

- Avadhani V. A. (1998): *Investment and Securities Market in India*, Mumbai, Himalaya
- Bal Krishan & Narta S. S. (1997): *Security Markets in India*, New Delhi, Kanishka
- Bhole L. M. & Mahakud J. (2009): *Financial Institutions and Markets: Structure, Growth & Innovations*, New Delhi, Tata-McGraw Hill, 3e
- Desai V. (2005): *The Indian Financial System and Development*, Mumbai, Himalaya
- Endo T. (1998): *The Indian Securities Market: A Guide for Foreign and Domestic Investors*, New Delhi, Vision
- Fabozzi F. J. & Modigliani F. (2005): *Capital Markets: Institutions and Instruments*, New Delhi, Prentice-Hall of India
- Ghosh A. & Sen R. (2002): *Money, Banking and Economic Reforms*, New Delhi, Deep and Deep
- Khan M. Y. (2004): *Indian Financial System*, New Delhi, Tata-McGraw Hill, 4e
- Kohn M. (1994): *Financial Institutions and Markets*, New York, McGraw-Hill
- Pathak B. V. (2008): *Indian Financial System*, New Delhi, Pearson, 2e
- Sakriya D. (2000): *SEBI and the Security Markets in India*, New Delhi, Anmol

[BACK](#)

FINANCIAL MANAGEMENT

Objectives: To introduce students to the concepts and practice of financial management in firms, and the techniques used in decision-making in the area of financial resources.

Unit 1: Introduction **(10% marks)**

Concept; Nature; Functions; Scope; Goals of Financial Management - Profit maximization v/s Wealth maximization (5-6 lectures)

Unit 2: Techniques for Investment Decision **(25% marks)**

Nature and significance of Investment Decision; Classification of Investment Projects; Techniques for Investment Decisions - Average Rate of Return, Pay Back Period, Net Present Value, Profitability Index / Benefit Cost Ratio, Internal Rate of Return (14-16 lectures)

Unit 3: Capitalization **(20% marks)**

Capital plan, Theories of capitalization (Cost & Earnings theory) factors affecting capital plan, Type of capitalization (Over, Under & Fair Capitalization), effects & remedies, Capital structure theories, types of leverage, leverage analysis, Guidelines for capital structure planning (12-14 lectures)

Unit 4: Cost of Capital **(25% marks)**

Concept; Importance; Computation of Cost of Capital - Cost of Debt, Cost of Preferred Stock, Cost of Equity Stock, Cost of Retained Earnings; Depreciation Funds; Weighted Average Cost of Capital; Management Decision & Cost of Capital (14-16 lectures)

Unit 5: Dividend & Reserve Policies **(20% marks)**

Meaning; Types; Factors Influencing Dividend Policy; Significance of Dividend Policy; Walter's Model, Gordon's Model, Miller & Modigliani Model; Reserve Policy & Internal Financing (12-14 lectures)

Recommended Readings:

Chandra P. (2003): *Financial Management: Theory & Practice*, New Delhi, Tata McGraw-Hill

Khan M.Y. (2001): *Basic Financial Management*, New Delhi, Tata McGraw-Hill

Pandey I. M. (2005): *Financial Management*, New Delhi, Vikas

van Horne J. C. (1995): *Fundamentals of Financial Management*, New Delhi, Prentice-Hall
India

[BACK](#)

FUNDAMENTALS OF INSURANCE

Objectives: to make students aware of the need and importance of insurance, the various products offered by insurance companies; to give students an overview of the insurance sector in India, its components and regulation

Unit 1: Introduction to Risk & Insurance (16% marks)

Risk – Concept, Types; Risk Management & Control;

Insurance - Definition, functions, characteristics & principles of insurance; Classification of insurance; importance of insurance; characteristics of an insurance contract

(9-10 lectures)

Unit 2: Life Insurance (25% marks)

Nature of a Life Insurance contract; Types of Policies based on duration of policy, method of payment of premium, participation in profits, number of persons insured, method of payment of policy amount; selection of risk & factors affecting risk; surrender value – meaning; lapse of policies; settlement of claims

(13-15 lectures)

Unit 3: Non-Life Insurance (25% marks)

Health Insurance, Property Insurance, Motor Insurance, Fire Insurance, Marine Insurance – nature, features, position in India

(13-15 lectures)

Unit 4: Management of Insurance Companies (17% marks)

Functions & Organization of Insurers, Underwriting, Claims Management, Insurance Pricing, Reinsurance, Insurance Intermediaries; role of an actuary

(10-11 lectures)

Unit 5: Insurance Sector in India (17% marks)

Insurance sector in India; Life Insurance Corporation of India, General Insurance Corporation of India and its subsidiaries, bancassurance, private sector insurance companies; Insurance Regulatory & Development Authority (IRDA)

(10-11 lectures)

Recommended Readings:

Bodla B. S. (2003): *Insurance Fundamentals, Environment and Procedures*, New Delhi, Deep and Deep

Bhole L. M. & Mahakud J. (2009): *Financial Institutions and Markets: Structure, Growth & Innovations*, New Delhi, Tata-McGraw Hill, 3e

Gopal V. S. & Gopal S. (2005): *Principles & Practices of Banking & Insurance*, Mumbai, Himalaya

Gupta P. K. (2004): *Fundamentals of Insurance*, Mumbai, Himalaya

Gupta P. K. (2004): *Insurance & Risk Management*, Mumbai, Himalaya

Mishra M.N. & Mishra S. B. (2007): *Insurance Principles & Practice*, New Delhi, S. Chand & Co., 14e

Periasamy P. (2005): *Principles and Practice of Insurance*, Mumbai, Himalaya

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FOREIGN EXCHANGE MARKETS

Objectives: To make students conversant with international and foreign exchange markets and the transactions therein; to make them familiar with foreign exchange rates and their calculation

Unit 1: Foreign Exchange Market (17% marks)

Meaning of foreign exchange; features and functions of the forex market, participants, various types of forex transactions; wholesale and retail markets; Indian forex market

(10-12 lectures)

Unit 2: Foreign Exchange Rates

(25% marks)

Exchange rate systems - fixed, floating and managed floating; factors influencing exchange rates – short-term and long-term; various methods and instruments used to make international payments; Types of forex rates – buying and selling rates applicable to different instruments, cross rates, spot rates, forward rates

(13-15 lectures)

Unit 3: Exchange Rate Arithmetic

(25% marks)

Exchange rate quotations; Calculation of various buying and selling rates; Calculation of forward rates; Calculation of cross rates; arbitrage transactions

(13-15 lectures)

Unit 4: Balance of Payments

(25% marks)

Meaning and Structure of Balance of Payments; concepts of Balance and Equilibrium; Disequilibrium – meaning, types, causes; measures to correct deficits in the BoP – automatic and discretionary, monetary and non-monetary measures

(13-15 lectures)

Unit 5: Risk Management in Foreign Exchange Transactions

(8% marks)

Types and sources of forex risk; methods of risk management

(6-8 lectures)

Recommended Readings:

Andley K. K. & Mattoo V. J. (1996): *Foreign Exchange: Principles and Practice*, New Delhi, Sultan Chand & Sons, 8e

Avadhani V. A. (2004): *International Finance*, Mumbai, Himalaya

Carbaugh R. J. (1994): *International Economics*, Cincinnati, South-Western College

Jain P. K., Peyrard J. & Yadav S. S. (1998): *International Financial Management*, New Delhi, Macmillan

Jeevanandam C. (2002): *Foreign Exchange: Practice, Concepts and Control*, New Delhi, Sultan Chand & Sons

Keshkamat V. V. (1985): *Foreign Exchange: An Introduction*, Mumbai, Vivek, 6e

Keshkamat V. V. (1985): *Foreign Exchange and Exchange Control*, Mumbai, Vivek, 7e,

Melvin M. (1999): *International Money and Finance*, New Delhi, Addison-Wesley

Weisweiller R. (1983): *Introduction to Foreign Exchange*, London, Woodhead-Faulkner

[BACK](#)

SEMESTER IV
INDIRECT TAXES

Objectives: To provide students with an understanding of the main provisions of the various legislations in the area of indirect taxes, and keep them up to date on current developments in this area.

Unit 1: Central Excise Act, 1944 and Related Rules: (25% marks)

The Legislative background of central excise including constitutional provisions, nature of excise duty, chargeability, scope and basis, meaning of goods, manufacture, manufacturer, and removal of excisable goods, classification and valuations of goods (14-16 lectures)

Unit 2: Customs Act, 1962 (25% marks)

Principles governing levy of customs duty, Duty-types, Basic principles of classification and valuation of goods, duty drawback, Customs Authorities warehousing stations (14-16 lectures)

Unit 3: Service Tax (25% marks)

Basics of service tax, charging of service tax, classification of services, service tax credit, registration, records to be maintained by assessee, self assessment and verification of return, demand of tax, refund of excess tax paid, interest for delayed payment of tax
Services on which tax payable (only names of services; no details) (14-16 lectures)

Unit 4: Goa Value Added Tax Act 2005: (25% marks)

A study of Goa Value Added Tax Act with special reference to the following:
Definitions – Business, Dealer, Goods, Input Tax, Manufacturer, Output Tax, Person, Sale, Sale price, Turnover, Works Contract, Taxable Turnover.
Registration of dealer
Incidence of Tax, Composition of Tax, Net tax of Registered dealer, Input tax credit, Returns & Payment of tax (14-16 lectures)

Recommended Readings:

Datey V. S. (2005): *Indirect Taxes: Law and Practice*, New Delhi, Taxmann

Kenkre S. R., Pai Bir Y. S. & Kamat A. T. (2005): *Value Added Tax (VAT)*, Panaji, Pato Informatics, 1e

Bhandare S. P. & Pai Raiker M. (2005): *Goa Value Added Tax*, Panaji, Trinity Publishers

[BACK](#)

MANAGEMENT ACCOUNTING

Objectives: To provide basic conceptual and working knowledge of the various tools and techniques of Management Accounting, which assists the management of an organization in its major functions, viz. Planning, Decision-Making and Control

Unit 1: Introduction to Management Accounting: (10% marks)

Meaning, Definition, Function, Objectives, Advantages, Distinction between Management Accounting, Financial Accounting and Cost Accounting, Tools of the Management Accountant (6-8 lectures)

Unit 2: Budgeting (20% marks)

Meaning, Definition, Advantages, Types of Budgets, Preparation of Sales budget, Production budget, Cash budget and Flexible budget (12-14 lectures)

Unit 3: Marginal Costing (30% marks)

Meaning, Definition, Advantages, Disadvantages, BEP Analysis, CVP Analysis and Applicability of Marginal Costing (16-18 lectures)

Unit 4: Standard Costing (30% marks)

Standard Costing & Variance Analysis, Meaning, definition, Advantages; Types of Variances - Material Cost Variance, Labour Cost Variance, Overhead Cost Variance (16-18 lectures)

Unit 5: Responsibility Accounting (10% marks)

Cost centres, expense centres, revenue centres, profit centres; balanced scorecard (6-8 lectures)

Recommended Readings:

Grewal T. S., Hingorani N. L. & Ramnathan (1973): *Management Accounting*, New Delhi, Sultan Chand

Gupta S. P.: *Management Accounting*, New Delhi, Sultan Chand

Khan M. Y. & Jain P. K. (1994): *Theory and Problems of Management Accounting*, New Delhi, Tata McGraw-Hill

Maheshwari S. N. (1996): *Management Accounting and Financial Control*, New Delhi, Sultan Chand

[BACK](#)

INDIAN BUSINESS ENVIRONMENT

Objective: To give students an idea of the environment in which firms operate, the composition of this environment and its significance

Unit 1: An Overview of Business Environment (10% marks)

Meaning and importance; Types of Environment – internal and external, micro and macro environment; components of internal, external, micro and macro environment (brief explanation of each component) (5-6 lectures)

Unit 2: Economic Environment (30% marks)

Nature, structure and features of the Indian economy; current status & features of agriculture, industry & services sector; unorganized sector in India; Human Development Index & India's performance with respect to HDI (14-16 lectures)

Unit 3: Policy Environment – I (20% marks)

Monetary policy and business environment; Fiscal policy - budgets and finances of Central and State Governments, Features of the Indian Tax System, Trends in public revenue, expenditure & debt; concepts of deficit; fiscal policy and business environment (12-14 lectures)

Unit 4: Policy Environment - II (15% marks)

India's external sector – volume, composition & direction of international trade; Balance of Payments – trends and current situation; India's current EXIM policy – major provisions of the latest policy and impact upon exports and imports; EXIM policy and business environment (10-12 lectures)

Unit 5: International Environment (25% marks)

Globalization – meaning, globalization in India, steps taken towards globalization, effects of globalization; WTO and India – WTO agreements, India's commitments, recent developments; International Standardization - ISO standards; impact of international environment upon business in India (14-16 lectures)

Recommended Readings:

- Aswathappa K. (2000): *Essentials of Business Environment*, Mumbai, Himalaya
Cherunilam F. (2003): *Business Environment – Text and Cases*, Mumbai, Himalaya, 14e
Cherunilam F. (2001): *Global Economy and Business Environment – Text and Cases*, Mumbai, Himalaya, 1e
Datt R. & Sundaram K. P. M.: *Indian Economy*, New Delhi, S. Chand (most recent ed.)
Mishra S. K. & Puri V. K. (2002): *Economic Environment of Business*, Mumbai, Himalaya
Mishra S. K. & Puri V. K.: *Indian Economy*, Mumbai, Himalaya, (most recent ed.)
Singh B. N. P. (2005): *Indian Economy Today: Changing Contours*, New Delhi, Deep & Deep
Sundaram A. K. (2004): *The International Business Environment: Text & Cases*, New Delhi, Prentice-Hall of India
UNDP: *Human Development Report*, New Delhi, Oxford University Press (most recent ed.)
World Bank: *World Development Report*, Washington D. C. (most recent ed.)

[BACK](#)

MODERN BANKING

Objective: to acquaint the student with modern concepts and practices in banking; to familiarize the student with the role of Information Technology in modern banking; to make the student aware of emerging trends in the Indian banking sector

Unit 1: Financial Statement Analysis (25% marks)

Balance Sheets of banks: Meaning, components, liabilities – items, assets - items

Balance Sheet Analysis: Ratio analysis – some important ratios; other common techniques of balance-sheet analysis

Income-Expenditure Statements of banks – items in Income statements and Expenditure statements, changing importance of items (14-15 lectures)

Unit 2: Technology in Banking - I (20% marks)

Plastic money - ATM cards, credit cards, add-on cards, charge cards, debit cards, green cards, smart cards.

Internet Banking, Mobile Banking, Core Banking, Convenience Banking (11-13 lectures)

Unit 3: Technology in Banking – II (20% marks)

Payments and settlement systems – cheques, drafts, pay orders, ECS, EFT, RTGS, cheque truncation; Banking & cyber crime – types of online bank fraud, steps that banks and customers can take to protect against such fraud (11-13 lectures)

Unit 4: Current Issues in Banking (15% marks)

Non-Performing Assets – definition and meaning, present status, measures to reduce NPAs; Priority Sector Lending – sectors & targets, problems

Financial inclusion – meaning, recommendations of Rangarajan Committee, measures taken by banks, micro finance and lending through Self-Help Groups (8-10 lectures)

Unit 5: Emerging Trends (20% marks)

NRI Accounts – Rupee and Foreign Currency Accounts – features and permitted transactions

Consolidation in banks - Mergers and Acquisitions – Rationale, post-reform M&A in the Indian banking sector – objectives, benefits and problems

Universal Banking – meaning, rationale, merits & demerits, trends (11-13 lectures)

Recommended Readings:

Basu P. (ed.) (2005): *India's Financial Sector: Recent Reforms, Future Challenges*

Bhole L. M. & Mahakud J. (2009): *Financial Institutions and Markets: Structure, Growth & Innovations*, New Delhi, Tata-McGraw Hill, 5e

Deva V.(2005): *E-Banking*, New Delhi, Commonwealth

Indian Institute of Banking and Finance (2008): *Principles & Practices of Banking*, New Delhi, Macmillan, 2e

Joshi V. C. (2004): *E-finance – Log in to the Future*, New Delhi, Response

Khan M. Y.(2004): *Indian Financial System*, New Delhi: Tata-McGraw Hill, 4e

Nagarajan N. (ed.) (2004): *Bank Economists' Conference, 2002 – Vol. I & II, Indian Banking: Managing Transformation – Structure*, Hyderabad, ICFAI, 1e

Rajashekar N. (ed.) (2001): *Banking in the New Millennium*, Hyderabad, ICFAI

Whiting D. P.(1994): *Mastering Banking*, London, Macmillan, 2e

[BACK](#)

STOCK MARKET OPERATIONS

Objective: To introduce the student to the practical aspects of the functioning of stock exchanges in India; by the end of the course, the student will be familiar with the terminology and practices on Indian stock exchanges, and recent developments in the area

Unit 1: Secondary/Stock Market **(25% marks)**

Nature of stock market, growth, role and functions of stock market; Reforms since 1991; Membership, ownership and management of Stock Exchanges; BSE, NSE, OTCEI and Regional stock exchanges; indices – SENSEX, NIFTY, sectoral indices; SEBI as regulatory authority (14-16 lectures)

Unit 2: Trading & Settlement Mechanisms **(20% marks)**

BSE: Trading & Settlement systems, trading cycle, BOLT, Types of Delivery - Bad and Short Deliveries, Auctions; NSE: Transaction cycle and Settlement process, NEAT, Order & Trade Management, Trading rules, circuit filters, Pay In & Pay Outs, No delivery period (12-14 lectures)

Unit 3: Risk Management Systems **(20% marks)**

Capital Adequacy Requirements, Trading & Exposure Limits, Margin requirements, Settlements Guarantee, Gross Margining, Indemnity & Insurance, Investigation & Inspection, investor protection fund. (12-14 lectures)

Unit 4: Derivatives and Commodity Markets **(20% marks)**

Derivatives – meaning, classification and types – futures, forwards, options, swaps, warrants & convertibles, credit derivatives, commodity derivatives; benefits & drawbacks of derivatives; derivatives & commodity markets in India (12-14 lectures)

Unit 5: International Stock Markets **(15% marks)**

Markets in US, UK, Europe & Asia; important indices – Dow Jones, NASDAQ, S&P, FTSE, Nikkei, Shanghai, Hang Seng & any other (6-8 lectures)

Recommended Readings:

Pandey I. M. (1995): *Essentials of Financial Management*, New Delhi, Vikas

Avadhani V. A. (1998): *Investment & Securities Market in India*, Mumbai, Himalaya

Agarwal S.: *A Guide to the Indian Capital Market*, Bharat

Websites of NSE, BSE, SEBI & NASDAQ

[BACK](#)

CORPORATE FINANCE

Objectives: To introduce the student to various financial aspects of the functioning of corporations, the valuation of different sources of finance and to make students aware of the rationale, procedure and implications of mergers and acquisitions.

Unit 1: Introduction to Valuation

(20% marks)

Compounding & discounting for single & multiple periods, present & future value, determination of discount rates, valuing cash flow levels, simple & compound interest calculations, types of loans, loan amortizations. (Practical problems) (11-12 lectures)

Unit 2: Stock Valuation

(20% marks)

Features of common & preferred stock, components of required rate of return, valuation of common & preferred stock, dividend growth model, constant, non-constant and super normal growth, calculation of dividend yield. (Practical problems) (11-12 lectures)

Unit 3: Bond Valuation

(20% marks)

Features of bonds, types of bonds, effect of inflation and interest rates, Determination of bond yields, term structure of interest rates, yield curves. (Practical problems) (11-12 lectures)

Unit 4: Stock Dividends, Stock Repurchases & Stock Splits

(20% marks)

Meaning, types, provisions in India, dividend stability, cash dividend v/s repurchases, factors affecting stock dividends, stock repurchases & stock splits, valuation of stock dividends, stock repurchases & stock splits, reverse splits. (Theory & Legal Provisions) (11-12 lectures)

Unit 5: Mergers & Amalgamations

(20% marks)

M&A's, takeovers, reverse mergers, spin off's - meaning, definition, Types: horizontal, vertical; conglomerates – financial and managerial; concentric companies, motives, efficiency theories - differential managerial efficiency, inefficient management, operating synergy, pure diversification (11-12 lectures)

Recommended Readings

Damodaran A. (1994): *Damodaran on Valuations*, New Delhi, John Wiley

Pandey I.M (2005): *Essentials of Financial Management*, New Delhi, Vikas

Pike R. (1998): *Corporate Finance & Investments: Decisions & Strategies*, New Delhi, Prentice-Hall of India

Verma J.C. (1985): *Corporate Finance*, New Delhi, Vision Books

Watson D. & Head A. (2003): *Corporate Finance: Principles & Practices*, New Delhi, Taxmann

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BUSINESS & FINANCIAL SECTOR LEGISLATION

Objectives: to acquaint the student with relevant sections of important legislations relating to business & finance

Unit 1: The Indian Contract Act 1872 **(15% marks)**

Meaning of contract, standard forms of contract, essentials of contract, parties, execution, revocations, form of considerations, remedies, agency contracts, appointment of agents and sub-agents (9-10 lectures)

Unit 2: The Companies Act 1956 **(15% marks)**

Types of companies, types of shares, buyback of securities, share capital, transfer of shares, annual returns, Annual General Body Meeting, dividends, Investor Education and Protection Fund (9-10 lectures)

Unit 3: Consumer Protection Act & Foreign Exchange Management Act **(20% marks)**

Consumer Protection Act – major provisions, redressal machinery, types of deficiencies for which banks, insurance companies & other finance companies are liable under the Act
FEMA – major provisions relating to acquisition and use of foreign exchange; transactions & uses disallowed under FEMA (13-15 lectures)

Unit 4: Negotiable Instruments Act 1881 & Other Acts **(25% marks)**

The Negotiable Instruments Act - Promissory notes, Bills of exchange, cheques and crossed cheques, parties, negotiation and endorsement, presentment, discharge from liability, dishonour of cheques

Major provisions of (i) most recently amended versions of Banking Regulation Act (1949), (ii) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI), (iii) Prevention of Money Laundering Act, 2002 (13-15 lectures)

Unit 5: Securities Regulations **(25% marks)**

The Securities Contract (Regulation) Act 1956: Contracts between members and recognized stock exchanges, maintenance & preservation of books & documents;
SEBI (Prohibition of Insider Trading) Regulations 1992: Definitions, Policy on disclosures and internal procedures, Code of ethics
SEBI (Prohibition of Fraudulent & Unfair Trade Practices relating to Securities Markets) Regulations 1995: Meaning of Fraud and Unfair practices, prohibition against market manipulation, Prohibition of misleading statements for inducing sale / purchase of securities, Prohibition of unfair trade practices (13-15 lectures)

N. B. the most recent amendments in respect of each legislation are to be discussed and, where possible, reference may be made to cases.

Recommended Readings:

Bulchandani K. R. (2002): *Business Law for Management*, Mumbai, Himalaya, 2e

Bulchandani K. R. (2004): *Business Law*, Mumbai, Himalaya, 19e

Maheshwari S. N. & Maheshwari S. K. (2003): *Business Regulatory Framework*, Mumbai, Himalaya, 1e

Raju V. R. K. (2005): *Business Laws and Economic Legislations*, Mumbai, Himalaya, 1e

Wadhvani M. R. (2005): *Business Law*, Mumbai, Sheth, 26e

Websites of SEBI, BSE & NSE

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Third Year BBS (Financial Services)
SEMESTER V
FINANCIAL AUDITING

Objective: to make the student aware of the importance of auditing; to familiarize the student with the principles, practice and process of auditing of companies

Unit 1: Introduction to Audit (10% marks)

Introduction; Meaning; Importance; Various classes and types of audit; Objectives; Errors and frauds; Auditors' qualities (5-6 lectures)

Unit 2: Audit of Limited Companies (20% marks)

Qualifications, appointment and remuneration of company auditor; Rights and duties of auditor (12-14 lectures)

Unit 3: Audit Process (20% marks)

Audit plan; Audit program; Internal control; Internal audit and internal check; Audit evidence - working papers and audit notebook; Audit sampling (12-14 lectures)

Unit 4: Audit Procedure (30% marks)

Vouching; Verification and valuation of assets and liabilities; Distinction between vouching and verification (14-16 lectures)

Unit 5: Auditor's Communication (20% marks)

Auditor's report; Types of reports; Standard and qualified report; Difference between report and certification (12-14 lectures)

Recommended Readings:

- Chopde L. N., Choudhari D. H., Padhye R. Y., Mehta A. B., Narayanswamy G. & Singari V. (2004): *Auditing*, Mumbai, Sheth, 4e
- Gupta K. (1999): *Contemporary Auditing*, New Delhi, Tata McGraw-Hill
- Jha A. (2005): *Elements of Auditing*, New Delhi, Taxmann
- Jha A. (2005): *A Student's Guide to Auditing*, New Delhi, Taxmann
- Pagare D. : *Principles and Practice of Auditing*, New Delhi, Sultan Chand & Sons
- Saxena R. G. (1994): *Principles and Practice of Auditing*, Mumbai, Himalaya
- Sharma S. D. (2005): *Practical Auditing*, New Delhi, Taxmann
- Tandon B. N. (1990): *Practical Auditing*, New Delhi, Sultan Chand & Co.

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ACCOUNTING FOR FINANCIAL SERVICES

Objective: to help the student acquire the skills of accounting for the diverse financial services provided by finance companies

Unit 1: Accounting for hire purchase & lease finance (20% marks)
Hire Purchase and Installment credit system – accounting procedure in the books of the buyer and the seller; Lease Accounting - accounting procedure in the books of lessor and lessee
(11-13 lectures)

Unit 2: Accounting for Mergers & Acquisitions (20% marks)
Mergers & Acquisitions - legal & procedural aspects, forms of financing, SEBI takeover code, accounting procedure for mergers & acquisitions
(11-13 lectures)

Unit 3: Investment Accounting (20% marks)
Investment Accounting - cum / ex-interest / dividend transactions, Investment accounts; calculation of NAV
(11-13 lectures)

Unit 4: Accounting of insurance companies (20% marks)
Accounting of insurance companies – preparation of financial statements for life insurance and general insurance
(11-13 lectures)

Unit 5: Accounting for banks (20% marks)
Accounting for banking companies - preparation of financial statements with schedules as per the Banking Companies Act
(11-13 lectures)

Recommended Readings:

Hanif M. & Mukherjee A. (2000): *Modern Accountancy (Volumes I & II)*, New Delhi, Tata McGraw-Hill, 2e

Maheshwari S. N. (2001): *Advanced Accounting*, New Delhi, Vikas, 8e

Gupta R. L. (1982): *Problems and Solutions in Advanced Accounting*, New Delhi, Sultan Chand, 8e

Pandey I. M. (1991): *Cases in Financial Management*, New Delhi, Tata McGraw-Hill

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BANK MANAGEMENT

Objective: to introduce the student to the fundamental concepts, principles and practices of bank management; to make the student aware of emerging issues in management of commercial banks in India

Unit 1: Risk Management **(33% marks)**

Types of risks faced by banks – liquidity risk, interest rate risk, credit risk, currency risk, operational risk – components of each type of risk, sources / factors affecting each type of risk, measurement each type of risk and techniques of management of each type of risk; Basel – II compliance; Asset-Liability Management - definition & meaning, need and significance, objectives, benefits; ALM framework in banks in India – ALM Committee, ALM Information system, ALM Process (14-16 lectures)

Unit 2: Resource Management **(20% marks)**

Capital – components; capital requirements for different types of risk; capital adequacy – core/Tier-I capital and & supplementary/Tier-II capital – components of each
Deposits – pricing of deposits – importance, methods; deposits and interest rate risk; deposit insurance;
Non-deposit sources – components, increasing importance, evaluation (14-15 lectures)

Unit 3: Management of Investments **(20% marks)**

Investment policy of a commercial bank – introduction, investment portfolio of banks, objectives and principles of investments;
Treasury operations – meaning, functions, sources of treasury profits – forex market products, money market products, securities market products; importance of treasury operations and trends in India (10-12 lectures)

Unit 4: Customer Relationship Management **(17% marks)**

Customer Relationship Management - Concept and importance, customer service in banks; emerging trends; Customer Grievance Redressal mechanism – Consumer Protection Act - major provisions, redressal machinery, types of deficiencies for which banks, are liable under the Act; Banking Ombudsman Scheme – scope of Banking Ombudsman, types of complaints, mechanism of redressal (11-12 lectures)

Unit 5: Corporate Governance **(10% marks)**

Meaning and importance; issues, principles and practices of corporate governance in Indian banks (4-5 lectures)

Recommended Readings:

- Gopal V. V. (ed.) (2004): *CRM in Banking: Concepts and Cases*, Hyderabad, ICFAI, 1e
Indian Institute of Banking and Finance (2009): *Principles & Practices of Banking*, New Delhi, Macmillan, 2e
Joshi V. C. & Joshi V. V. (1998): *Managing Indian Banks – The Challenges Ahead*, New Delhi, Response
Justin P. & Padmalatha S. (2007): *Management of Banking & Financial Services*, New Delhi, Pearson
Koch T. W. & MacDonald S. S. (2003): *Bank Management*, Singapore, Thomson, South-Western Publishing, 5e
Nagarajan N. (ed.) (2004): *Bank Economists' Conference, 2002 – Vol. I & II, Indian Banking: Managing Transformation – Structure*, Hyderabad, ICFAI, 1e
Satish D. (ed.) (2004): *Currency Risk Management: Concepts and Cases*, Hyderabad,

ICFAI,1e
Subbulakshmi V.(ed.)(2004): *Operational Risk Measurement & Management*, Hyderabad,
ICFAI
Vijaychandra Kumar C. (ed.) (2004): *Credit Risk Management: Concepts and Cases*,
Hyderabad, ICFAI, 1e
www.iba.org.in & www.iibf.org.in

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FUNDAMENTALS OF STRATEGIC MANAGEMENT

Objective: to enable the student to understand the importance of strategic management decisions in business decision-making; to apply the concepts learned in the classroom to real-life events so as to document the relevance of the subject

Unit 1: Introduction **(10% marks)**

Making strategic decisions; importance; concept; mission statements; corporate versus business strategy; competitive strategies; value chains; positioning of the firm (3-5 lectures)

Unit 2: Analyzing the Environment **(25% marks)**

Five forces model; attractiveness of industry; industry life cycle; competitor's analysis; structure versus systems; skills and resources; comparing current positions with desired positions (12-14 lectures)

Unit 3: Competitive Strategy **(25% marks)**

Assessing generic strategic concept, buyer needs, cost leadership, types of differentiation, stability, strategic fit (12-14 lectures)

Unit 4: Strategic Change **(20% marks)**

Judging the extent of change; visions and missions; force field analysis, five configurations of strategy (10-12 lectures)

Unit 5: Corporate Strategy and Global Strategy **(20% marks)**

Management of diverse corporations; how to diversify; when to diversify; how to structure the corporation; international competitiveness (10-12 lectures)

Recommended Readings:

Gupta V., Gollakota K. and Srinivasan R. (2005): *Business Policy and Strategic Management – Concepts and Application*, New Delhi, Prentice-Hall of India, EEE

Lomash S. & Mishra P. K. (2005): *Business Policy and Strategic Management*, New Delhi, Vikas

Miller A. & Dess G. (1996): *Strategic Management*, New York, McGraw-Hill, International ed.

Pearce J. A. & Robinson Jr. R. B. (1995): *Strategic Management – Strategy Formulation and Implementation*, New Delhi, A.I.T.B.S. 3e

Steiner G., Miner J. and Gray E. (1982): *Management Policy and Strategy – Text, Readings and Cases*, New York, Macmillan, 2e

[BACK](#)

SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Objective: To introduce the student to the process of investment and associated considerations; to make the student aware of the theoretical basis of management of investment portfolios; to help the student learn how to analyze portfolios; to make the student aware of emerging issues in the area of investment and portfolio management

Unit 1: Introduction **(10% marks)**

Meaning and scope of Investments; Investment Process, Objectives; Investment Planning, Variables in Investment Decisions, Investment Avenues; Investment versus Speculation
(5-6 lectures)

Unit 2: Portfolio Management: Meaning & Approach **(30% marks)**

Meaning, Portfolio Theory, Objectives, Efficient Portfolio, Review and Revision of Portfolio; Risk-Return Analysis; Portfolio Models – Efficient Market Hypothesis, Random Walk Theory, Dow Theory, CAPM
(16-18 lectures)

Unit 3: Risk-Return Analysis **(30% marks)**

Meaning of Risk-Return; types of risks; measurement of risk; Beta Analysis; Markowitz two security analysis; Portfolio construction
(16-18 lectures)

Unit 4: Analysis of Portfolio **(20% marks)**

Technical Analysis – use of charts, types

Fundamental Analysis –

(a) Economic Analysis

(b) Industry Analysis

(c) Company Analysis

(13-15 lectures)

Unit 5: Emerging issues in SAPM **(10% marks)**

Blue Chips; Non-Resident Indian Investment; Foreign Institutional Investors (5-6 lectures)

Recommended Readings:

Avadhani V. A. (1997): *Investment Analysis and Portfolio Management*, Mumbai, Himalaya

Bodie Z. & Kane A. (1995): *Essentials of Investment*, London, Irwin

Chandra P. (2002): *Investment Analysis and Portfolio Management*, New Delhi, Tata McGraw-Hill

Cordor A. (2003): *Fundamentals of Investment*, New Delhi, Prentice-Hall of India

Fischer D. E. & Jordan R. J. (1995): *Security Analysis and Portfolio Management*, New Delhi, Prentice-Hall of India

Strong R. A. (2001): *Portfolio Management Handbook*, Mumbai, Jaico

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INTERNATIONAL FINANCE

Objectives: to acquaint students with the methods and procedures involved in the financing of international trade; to introduce students to international finance and financial instruments; to familiarize students with emerging trends in foreign investment

Unit 1: International Monetary System (10% marks)

International monetary system – need, evolution; Bretton Woods system; International Monetary Fund and the World Bank; European Monetary Union and the euro; regional financial institutions (5-6 lectures)

Unit 2: International Financial Markets (30% marks)

International Money and Capital markets; growth and current status of international financial markets; International bond markets; Euro Currency markets; Euro Issues, American Depository Receipts, Global Depository Receipts, Various International Debt instruments (15-16 lectures)

Unit 3: Finance of International Trade (40% marks)

Basic concepts – correspondent bank, nostro account, SWIFT; types of contracts – INCOTERMS; Finance of imports - letter of credit – meaning, types, parties, operation; Finance of exports - pre-shipment and post-shipment finance in Rupees and foreign currency; shipping documents; financing of project exports and export of services; Methods of settling debts in International trade; foreign currency loans; guarantees in international trade; Export Credit and Guarantee Corporation of India – functions and role; EXIM Bank of India – functions and role (21-22 lectures)

Unit 4: Foreign Direct Investment (10% marks)

Globalization and the flow of capital; Multinational Corporations and Foreign Direct Investment; determinants of FDI; FDI in India – trends in volume and composition; impact of FDI on different macroeconomic variables (7-8 lectures)

Unit 5: Foreign Portfolio Investment (10% marks)

Foreign Portfolio Investment – meaning; Foreign Institutional Investors and their operations, determinants of FPI; FPI in India – trends in volume and composition; impact of FPI on different macroeconomic variables (7-8 lectures)

Recommended Readings:

- Andley K. K. & Mattoo V. J. (1996): *Foreign Exchange: Principles and Practice*, New Delhi, Sultan Chand & Sons, 8e
- Avadhani V. A. (2004): *International Finance*, Mumbai, Himalaya
- Buckley A. (1998): *Multinational Finance*, New Delhi, Prentice-Hall of India
- Giddy I. H. (1997): *Global Financial Markets*, New Delhi, A.I.T.B.S.
- Jain P. K., Peyrard J. & Yadav S. S. (1998): *International Financial Management*, New Delhi, Macmillan
- Joshi P. R. (1996): *Global Capital Markets: Shopping for Finance*, New Delhi, Tata McGraw-Hill
- Melvin M. (1999): *International Money and Finance*, New Delhi, Addison-Wesley
- Pilbeam K. (1998): *International Finance*, 2e, Hampshire, Palgrave
- Sawyer W.C. & Sprinkle R. L. (2004): *International Economics*, New Delhi, Prentice-Hall of India, 6e
- Verghese S. K. (1985): *Foreign Exchange and Financing of Foreign Trade*, Mumbai, Vikas
- Whiting D. P. (1986): *Finance of Foreign Trade*, London, Pitman, 6e

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RESEARCH METHODOLOGY

Objective: To introduce the student to the methods and techniques of research in business; to familiarize the student with all aspects of a research project from the stage of drafting the proposal right up to the writing of the report and presentation of the findings

Unit 1: Introduction (15% marks)

Meaning of research; Importance of research; characteristics of good research; scientific thinking – deduction and induction; hypothesis formulation; the research process – designing the study, formulating the research proposal, sample design, pilot testing, data collection, analysis and interpretation, reporting the results (5-6lectures)

Unit 2: Sources and Collection of Data (25% marks)

Primary and Secondary data; merits and demerits of each;
Secondary data - Library and Internet as sources of secondary data; gathering, recording and organizing information
Primary data – the survey method – personal interviews, telephone interviews, self-administered surveys – techniques and evaluation of each method; designing the instrument – question structure, question content, question wording, response strategy (14-16 lectures)

Unit 3: Sampling Design (20% marks)

Concepts of Universe, Population and sample, need for sampling, characteristics of a good sample, sampling methods – brief idea of different probability and non-probability sampling methods and when they are to be used; size of sample – sampling and non-sampling errors (12-14 lectures)

Unit 4: Analysis of Data (20% marks)

Data preparation and preliminary analysis – editing, coding, data entry, exploring, displaying and examining data – frequency tables, bar charts, pie charts, histograms, stem and leaf displays, cross-tabulation, use of percentages; using actual data to create charts (in MS Excel) (12-14 lectures)

Unit 5: Presenting Results (20% marks)

Written report – components – Prefatory items, Introduction, Methodology, Findings, Conclusions, Appendices, Bibliography; Characteristics of a good report; presentation considerations; presentation of statistics – text form, semi-tabular form, tabular form and graphics
Oral presentations – preparation, delivery and use of PowerPoint for making presentations (12-14 lectures)

Students should be taught how to use a statistical package such as SPSS for simple problems and to analyze output

Recommended Readings:

- Cooper D. R. & Schindler P.S. (2003): *Business Research Methods*, New Delhi, Tata McGraw-Hill
Goode W. J. & Hatt P. K. (1989): *Methods in Social Research*, Singapore, McGraw-Hill
Ostle B. (1966): *Statistics in Research*, Mumbai, Oxford & IBH
Young P. V. (1996): *Scientific Social Surveys and Research*, New Delhi, Prentice-Hall

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