

## **SEMESTER - I**

### **PRINCIPLES OF INVESTMENTS**

#### **Module 1.1**

##### **UNIT I : INTRODUCTION TO INVESTMENTS**

- Investment - Meaning & Definition.
- Need for Productive Investment
- Investment Objectives
- The multiple avenues for Investment - in brief
- Importance of Investment Management

##### **UNIT II : RETURN ON INVESTMENTS**

- Measures of Return & Risk
- Relationship between Risk & Reward
- Determinants of required Rate of Return
- Need for Diversification of Risk

##### **UNIT III : INVESTMENT VALUATION - IT'S IMPORTANCE**

- Time value of Money - Techniques of Discounting & Compounding
- Place of liquidity in investment decisions
- Time value for more than one cash flow
- Introduction to Net Present Value (NPV), Internal Rate of Return (IRR)
- Relevance of NPV & IRR

##### **UNIT IV : INTRODUCTION TO INVESTMENT ANALYSIS**

- Financial Statement Analysis
- Financial Ratios - Computation & Application
- Macro Economic Indicators

## **MICRO ECONOMICS**

#### **Module 1.2**

##### **MODULE I : THE CONTENTS & NATURE OF ECONOMIC THEORY**

A) The Economic problem - scarcity & efficiency w.r.t. Production Possibility Curve

Micro & Macro Economics

B) Theory of Consumer's Behaviour :-

Indifference Curve Analysis - Effects - ICC & PCC, Break up of price effect

##### **MODULE II : PRODUCTION, COST & REVENUE**

- Production function - Isoquants, Returns to scale
- Producer's Equilibrium
- Economics scale
- Costs - Behaviour of cost curves in the short & long run
- Revenue concepts

##### **MODULE III : MARKET ANALYSIS**

- The theory of the firm - Break Even Analysis - Equilibrium of the Firm
- Markets - Perfect Competition, Monopoly, monopolistic competition

##### **MODULE IV : INVESTMENT CRITERIA**

- Pricing Methods - Marginal Cost, Full Cost, Discriminatory, Multi - Product & Transfer Pricing

- Meaning & Importance - Stages
- Methods - Payback, Discounted present value & internal Rate of Return

## BASIC STATISTICS

### Module 1.3

#### UNIT I : DESCRIPTIVE STATISTICS FOR UNIVARIATE DATA

**Introduction to Statistics** : Preparation of frequency distributions including graphic presentation.

**Measures of Central Tendency** : Mathematical Averages : Arithmetic means, Geometric mean, Properties & Applications.

**Positional Averages** : Mode & Median & other partition values - Quartiles, Deciles & Percentiles (including graphic determination).

**Measures of Variation** : Absolute, Measures, Range, Quartile Deviation, Mean Deviation, Standard Deviation, Variance.

#### UNIT II : FORECASTING TECHNIQUES

**Covariance & Correlation**: Meaning, Correlation using scatter diagram. Karl Pearson's co-efficient of correlation : Calculation & Properties, Rank Correlation.

**Regression Analysis**: Linear regression defined. Regression defined. Regression equations & estimation.

**Components of Time Series**: Additive & Multiplicative models

**Trend Analysis**: Finding Trend by moving average methods, Fitting of Linear quadratic trend principle of least squares.

#### UNIT III : INDEX NUMBERS

**Meaning & Uses of Index Numbers**: Simple & weighted Index. No., Construction of Index No., Fixed & Chain base; Paasche's Laspeyres's Kelly's & Fishers Index No. simple & tests of adequacy of Index No. Construction of consumer price indices. Deflating, Splicing, Quantity & Value Index Nos. Shifting of base year, conversion of chain based to fixed base & vice-a- versa, Cost of living Index Nos. inflation concept of Industrial Production Indices.

#### UNIT IV : PROBABILITY, PROBABILITY DISTRIBUTION & ITS APPLICATIONS

**Probability**: Probability as a concept, Addition & Multiplication Laws of probability (statement & concept only), Conditional Probability, Bayes's Theorem

**Random Variables**: Random variable, Expectation & variance, Probability Distributions; Binomial & Normal Distribution

**Decision Making**: Under uncertainty & Risk, Expected Monetary Value (EMV), Decision Tree. (Simple Problem)

## BASIC COMPUTER SKILLS

### Module 1.4

#### Guidelines

- The Topic of Unit I and II are Introductory,, They would be taught at conceptual level only.
- Unit III is expected to be taught through demonstrations and support of practical.
- Unit IV is expected to be taught in the light of information technology.

**UNIT I Basics of Computers** : Organisation & Architecture; Simple Model of a Computer, Block Diagram, Characteristics.

**Introduction to Operating System** : Need for Operating System, Different types of Operating Systems: Batch, Multiprogramming, Time-sharing, On-line & Real time.

**Evolution of Computers** : The various Generations of Computer Systems

**UNIT II Input & Output Devices** (Functions, Identifications & Connections) : Terminals, CRT, Keyboard, Mouse Optional Mouse, Printers-impacts, Dot Matrix, Laser Printer, Scanner, Joysticks, Space Ball, Datagloves, Touchscreens.

**Computer Memory** : Memory Cell, Units of Memory Bit, Bytes, Registers. Cache Memory : Needs & Characteristics. Access Modes : Random & Serial Access  
RAM, ROM's, Magnetic Disks, Tape & Optional Memory, virtual memory, Buses, The system Bus-Control, Address & Data Buses

**Internet Basics** : What is Internet? History & Introduction, Accessing the Internet, Protocols TCP/IP, SLIP, PPP, Components of URL, FTP, Telnet, HTTP, Web Browsers, Search Engines, Advanced search, Email Services, Spam & Emoticons, Chatting, Conferencing, Creating a Home Page, a Web Site, Viruses-type detecting prevention Worms, Firewalls.

### **UNIT III : SPREADSHEETS (DEMONSTRATIONS & CORRESPONDING PRACTICALS)**

**Understanding worksheets** : Entering data, Cell Ranges, Creating Auto Series, Inserting Sheets, Deleting Sheets, Renaming Sheets, Linking Worksheets, Protecting worksheets.

**Cell Referencing** : Relative Cell Referencing, Absolute Cell Referencing, Mixed Cell Referencing.

**Functions & Formulas** : Maths & Trigonometric, Logical, Date & Time, Conditional, Statistical, Text.

**Charts** : Inserting in Sheets

**Introduction to Power Point** : (Demonstration & Corresponding Practical) : Creating & Opening Presentations, Different views of Power Point Presentations, Slide Manipulation, Adding Transitions to Slide Show, Viewing the Slide Show Navigating while in your Slide Show.

**Desktop Publication with word processing software** : (Demonstration & Corresponding Practical)

**Introduction to word processing** : Identify the components of documents Windows, Standard & formatting Toolbars, Create Documents, Open Documents, Save Documents, Editing Text in Documents, Word Wrap Feature, Selecting Text, Drag Drop Feature.

**Viewing & Formatting Documents** : View a document, Format text, Font Style, Font Size, Format Painter, Highlight documents, Format Paragraph, Adjust the spacing (line & page spacing), Align text, Add bullets & number to the lists, Format pages, Change page orientation, Number pages, Set Margins.

**Mail Merge Documents** : Create a main document, Specify a data source, Merge the data file & the main document, Create a Table, Select text in tables, Edit a table by deleting rows & columns, inserting rows & columns, Resizing rows, Merging cells, Splitting cells, Add borders & shading.

**UNIT IV : MANAGEMENT INFORMATION SYSTEM (MIS)** : Information, System analysis and Design, Choice of Information Technology Development of MIS, Decision Making.)

## **FINANCIAL ACCOUNTING**

### **Module 1.5**

#### **1. NATURE, PURPOSE OF ACCOUNTING :**

- Meaning & Scope of Accounting : Need development & Definition of Accounting, persons interest in accounting disclosure, Branches of accounting.
- Concept Accounting Standards
- Journals, Ledger, Subsidiary Books, T/B, Financial Accounting framework

#### **2. INTRODUCTION TO FINANCIAL STATEMENTS :**

- B.R.S
- Treatments of Capital & Revenue
- Depreciation accounting; Methods of recording depreciation & methods of providing depreciation as per AS-4
- Preparation of Financial Accounts; Sole Traders & Partnership Firms, Manufacturing A/c, Trading, P & L and B/S

#### **3. CORPORATE ACCOUNTING :**

a) Issue of Shares & Debentures:

1. Types of Shares & Debentures (in India)
2. Accounting Treatments for issue of shares & debentures with new market and SEBI rules (Bidding, Price Building etc.)

*(Note: Old method of share application money, allotment money not to be included)*

- b) Capitalisation of reserves & issue of Bonus Shares
- c) Preparation of corporate financial statements in vertical form.

- d) Valuation of Shares.
- e) Buy-back of shares & own debentures.
- f) Investment Accounting

**4. INDIAN ACCOUNTING STANDARDS :**

- a) AS, GAAP & their impact on Income Statement & B/S.
- b) Latest Development: Computerization of accounting & accounting s/w.

## **BUSINESS ENVIRONMENT**

### **Module 1.6**

**UNIT I:** Indian Business Environment : Concept, Components & Importance

**UNIT II:** Economic Trends (overview) : Income, Savings & Investment, Industry, Trade & Balance of Payments, Money, Finance, Prices.

**UNIT III:** Role of Government : Monetary & Fiscal Policy : Industrial Policy : Industrial Licensing, Privatization: Devaluation : Export-Import Policy : Regulation of Foreign Investment Collaborations in the light of recent changes.

**UNIT IV:** International Environment : International Trading Environment (overview) : Trend in world trade & their problems of developing countries : Foreign trade & economic growth : International economic institutions. GATT, WTO, UNCTD, World Bank, IMF: GSP: GSTP: Counter trade

## **SEMESTER - II**

## **ENVIRONMENT OF FINANCIAL SYSTEM**

### **Module 2.1**

**UNIT I : Financial System**

Meaning, Significance & Components, Composition of Indian Financial Systems, RBI - Organisation, Management, Functions - Credit Creation & Credit Control, Monetary Policy.

**UNIT II : Commercial Banks**

Meaning, Functions ; Management & Investments, Policies of Commercial Banks, Recent trend in Indian Commercial Banks. All India Development Banks : Interest Rate Structure : Determinants of interest rate structure, Differential rate structure : Recent changes in interest rate structure, State level Development Banks : State Financial Corporation; Development banks in Industry Financing.

**UNIT III : Insurance Organisations**

Objective & Functions, various schemes of LIC & GIC, Unit Trust of India : Objective & Functions, various schemes of UTI & Role of UTI in Industrial Financing

**UNIT IV : Financial Markets**

Indian Money Market, Indian capital Market

## **MACRO ECONOMICS**

### **Module 2.2**

**MODULE I : MONEY & RELATED ISSUES**

- Introduction to Money-Functions-Demands & Supply of Money
- IS-LM Curves
- Inflation - Causes & Effects
- Philips Curve

**MODULE II :**

**I (A) ROLE OF FUNCTION OF BANKING**

- Commercial Banks - Functions-Creation (multiple expansion of credit)
- Evolution of Central Banks- Functions (in detail)
- Monetary Policy

## **II (B) BANKING SECTOR REFORM**

- Banking Sector Reforms- Evaluation
- Financial Liberalisation - Universal Banking, Private Banking, Foreign Banks
- Banks run & Systematic fragility

## **MODULE III : FINANCIAL & CAPITAL MARKETS**

- Structure of the money market in India - Features, Limitations & Measures to strengthen the market
- Capital Market - Share Market in India - Function of the Stock Exchange
- SEBI - Need & Role<sup>2</sup>
- Financial Soundness - credit rating agencies
- New Financial instruments of the Capital Market (Zero coupon bonds, Warrants, Secured premium notes, Stock invest, Swaps, Options, Derivatives deep discount bonds)

## **MODULE IV : FOREIGN CAPITAL - POST GLOBALISATION SCENARIO**

- Balance of Payments - Structure
- Convertibility - Pros & Cons of Capital account convertibility
- Capital Movements - Direct & Portfolio Investments - MNC's & FDI
- Impact of Foreign Capital

# **STATISTICAL APPLICATION**

## **Module 2.3**

### **UNIT I : TESTING OF HYPOTHESIS**

Concepts of a statistical population and sample form a population, Primary data, Secondary data sample surveys, Concept of Hypothesis, Testing of Hypothesis, Null & Alternative Hypothesis, Types of Error, (Consumer & Producers Risk), Level of Significance.

Large Sample Tests : Hypothesis testing for proportion & Means of single & two sample test  
Chi-Square test of goodness of fit (with special reference to Finance)

### **UNIT II : LINEAR PROGRAMMING PROBLEM**

Formulation of Linear Programming Problems (LPP), Graphic solution to LPP, Cases of unique & multiple optimal solutions, unbounded solutions & infeasibility & redundant constraints.

Solution to LPP using simple method - maximization & minimization cases. Shadow prices of the resources & the ranges of their validity. Identification of unique & multiple optimal solutions, unbounded solution, infeasibility & degeneracy.

### **UNIT III : APPLICATION OF STATISTICS IN FINANCE I**

Rate of Interest - Nominal, Effective - and their inter-relationships, Compounding & Discounting a sum using different types of Rates. Types of Annuities, like immediate, due, deferred, perpetual, and their future & present value using different types of rates of interest, PV, NPV and IRR Depreciation of assets. Valuation of simple loans & debentures. Sinking Funds (General annuities to be excluded).

### **UNIT IV : APPLICATION OF STATISTICS IN FINANCE II**

Network Analysis : PERT, CPM (Without crashing)

Modern Portfolio Theory : Markowitz Theory, Sharpe's Theory & random : Walk Theory.

Risk Analysis : Measures of Risk & Performance : Range, Variance, Standard Deviation, Expected value & Beta.

Measures of Risks related to portfolio : Covariance & Correlation

Return on security & Market Returns.

# **COMMUNICATION SKILLS**

## **Module 2.4**

- I. Concept of communication** : Definition, Need & Importance of Communication, Process of Communication, Characteristics of Effective Communication, Methods & Modes of Communications.

**II. Reading** : Reading with fluency & speed, Ways of reading, Skimming, Scanning, Extensive reading, identifying, inferring, Interpreting, Collecting & Re-ordering relevant information from text vocabulary, Grammar Language Structure & Punctuation.

**III. Writing** : Organised presentation of matter (Factual/Informative, Descriptive or Persuasive)

A. Editing, summarizing, considering, (practice to be given through comprehension passages, summarization, book review, note-making précis writing from literary texts, business & financial journals, magazines & news papers. Familiarity & acquaintance with business & financial terms should be encouraged.)

**B. Correspondence in different registers :-**

- Theory of Letter Writing
- 7 Cs of Letter Writing
- Revision of structure of forms of layout
- Appearance of B.L
- Use of Computer for Letter Writing.

**Official** a) Enquiries / Complaints & Replies, Representations

b) Letters of applications for jobs, Inter-departmental Memos

c) Letters to Bank

d) Request for loans, Overdraft, Current A/c, Credit Facility, Status Enquiry,

Letters related to Share Market, Capital Market.

**Semi Official:** Letters to Editors

**Social Correspondence** : Invitations, Congratulations, Condolences.

Appeal e.g. blood donations, environmental and other civic issues.

**IV. Speaking / Listening** : Fluency, pronouncing, voice modulation, tone pitch, sensitivity to audience.

How to listen effectively - listening comprehension meaning & sequence of thought (practice may be given through audio-video methods) passages/exercises to be set to highlight the objective of communications with special emphasis on 'You' attitude.

**V. Barriers to Communication** : Types of Barriers : Physical, Mechanical, Psychological, Linguistic, Socio- Cultural, Barriers to Listening. How to overcome barriers (to be taught along with case studies, assignments, tasks, field visit etc.)

**VI. Group Communication :**

**A) Written aspects :**

1. Drafting Notice, Agenda, resolutions, Minutes of Meetings.
2. Drafting of Reports structure of Business Report, Various Types of Reports- Following reports to be studied - Routine, Investigative, Projects, Director's Report etc.

**B) Oral aspects :**

1. Interviews
2. Group Discussions
3. Presentations
4. Speeches : Social/Corporate Situations

## **MANAGEMENT ACCOUNTING**

### **Module 2.5**

**I. Introducing to Financial Statements Analysis :**

a. Meaning, Nature, Uses, Scope & Function of Management Accounting.

Role of Management Accounting in decision making, Tools & Techniques of Management Accounting.

b. Financial Statements Analysis :

1. Meaning & Types of Financial Statements, Limitations of Financial Statements, Objectives of Financial Statements

2. Interpretation of Financial Statements, Inter - Firm & Intra - Firm.

Comparison with the help of ratio, comparative, commonsize & trnd analysis

3. Fund Flow, Cash Flow.

## II. Working Capital Management :

1. Operations cycle, Need & Importance, Monitoring & Control, Estimation & Calculation W.C. for trading & other.
2. Management of Current Assets : Management of Cash & Marketing Securities, Receivables.

## III. a. Long Term Funds Management : Sources, Capital Investment Decisions, Risk analysis in Capital Budgeting

### b. Capital Structure : Theories & Determinations

#### IV. a. Operating & Financial Leverage

- b. **Concept in Valuation** : The time of Money, P.V. IPR of yield, Bond Returns, Returns from Stock Investments, Dividend modules & Measuring Risks-Standard Deviation

# PRINCIPLES OF BUSINESS MANAGEMENT

## Module 2.6

**UNIT I** : Management - Definitions - Objectives - Importance & Nature - Management - Arts, Science or Profession. Levels of Management & Managerial Skills.

### UNIT II : Functions of Management

- Planning - Meaning, Nature, Importance-Types of Plans, Steps in Planning.
- Organizing - Meaning, Process of Organizing, Span of Management, Authority & Responsibility, Delegation of Authority.
- Controlling - Meaning, Steps, Types of Control, Feed Forward Control, concurrent Control, Feedback Control, Contemporary issues in Control.
- Staffing - Meaning, Nature & Purpose - Selection training & Performance appraisal.
- Co-ordination - Need Techniques of Co-ordination, Difficulty of Co-ordination.
- Motivation - Definition - Motivation, & Motivators. Self Motivations, the need/want satisfaction chain, Motivational techniques : Financial & non Financial incentives, Theories of Motivation - Hierarchy of need Theory; Mc Gregor's theory X & Y, Herzberg's Two factor theory, Theory Z by Ouchi.

### UNIT III : Development of Management thought - Scientific management -

Frederick W.Taylor

Modern Operational Management thought - Henry Fayol

Behavioral approach - Elton Mayo

System Approach - Chester Barnard

Contingency Approach

**UNIT IV**: Organization Structures, Roles & Functions of Manager. Roles of Values & Ethics in Management.