

**BHARATHIAR UNIVERSITY, COIMBATORE-641 046**

**B.A. ECONOMICS WITH PORTFOLIO MANAGEMENT**

**(CBCS PATTERN)**

**WITH COMPULSORY DIPLOMA IN TRADE ECONOMY AND COMPUTER SYSTEMS**

(For the students admitted during the academic year 2008-2009 and onwards)

**SCHEME OF EXAMINATIONS**

Part	Study Components / Course Title	Inst. Hours/ Week	Examination				Total	Credit
			Duration	CIA \$	Uni. Exam			
<b>Semester I</b>								
I	Language-I	6	3	25	75	100	3	
II	English-I	6	3	25	75	100	3	
III	CORE I – MANAGERIAL ECONOMICS & DECISION MAKING – I	5	3	25	75	100	4	
III	CORE II – INVESTMENT CHANNELS	5	3	25	75	100	4	
III	ALLIED PAPER I PRINCIPLES OF MANAGEMENT	6	3	25	75	100	5	
IV	<b>Environmental Studies #</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>50</b>	<b>50</b>	<b>2</b>	
<b>Semester II</b>								
I	Language-II	6	3	25	75	100	3	
II	English-II	6	3	25	75	100	3	
III	CORE III – MANAGERIAL ECONOMICS & DECISION MAKING – II	5	3	25	75	100	4	
III	CORE IV – FINANCIAL MARKETS	5	3	25	75	100	4	
III	ALLIED PAPER II COMPUTERISED ACCOUNTING – TALLY	6	3	25	75	100	5	
IV	<b>Value Education – Human Rights #</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>50</b>	<b>50</b>	<b>2</b>	
<b>Semester III</b>								
I	Language-III	6	3	25	75	100	3	
II	English-III	6	3	25	75	100	3	
III	Core V – MACRO ECONOMICS	4	3	25	75	100	4	
III	Core VI – FUNDAMENTALS OF PORTFOLIO MANAGEMENT	4	3	25	75	100	4	
III	Allied : III - STATISTICS	5	3	25	75	100	5	
IV	<b>Skill based Subject 1 (Diploma) FINANCIAL ACCOUNTING</b>	<b>3</b>	<b>3</b>	<b>25</b>	<b>75</b>	<b>100</b>	<b>3</b>	
IV	<b>Tamil@ / Advanced Tamil# (OR) Non-major elective - I (Yoga for Human Excellence)# / Women's Rights#</b>	<b>2</b>	<b>3</b>	<b>75</b>	<b>75</b>	<b>75</b>	<b>2</b>	
<b>Semester IV</b>								
I	Language-IV	6	3	25	75	100	3	
II	English-IV	6	3	25	75	100	3	
III	Core VII – MONETARY ECONOMICS	4	3	25	75	100	4	

III	Core VIII – COMPUTER APPLICATIONS IN ECONOMICS	4	3	25	75	100	4
III	Allied : IV BUSINESS MATHEMATICS	5	3	25	75	100	5
IV	Skill based Subject 2 (Diploma) TRADE DOCUMENTATION	3	3	25	75	100	3
IV	Tamil @ /Advanced Tamil # (OR) Non-major elective -II (General Awareness #)	2	3	75		75	2
<b>Semester V</b>							
III	Core IX – FISCAL ECONOMICS	6	3	25	75	100	4
III	Core X – ANALYSIS OF FINANCIAL STATEMENTS	6	3	25	75	100	4
III	Core XI – CAPITAL MARKET INTERMEDIARIES	6	3	25	75	100	4
III	Core XII – ENTREPRENEURSHIP DEVELOPMENT	5	3	25	75	100	4
III	Elective –I	4	3	25	75	100	5
IV	Skill based Subject 3 (Diploma) COMPUTER SYSTEM – I	3	3	25	75	100	3
<b>Semester VI</b>							
III	Core XIII – INDIAN ECONOMIC ISSUES	6	3	25	75	100	4
III	Core XIV - GLOBAL INVESTMENT	6	3	25	75	100	4
III	Core XV – SECURITY ANALYSIS	5	3	25	75	100	4
III	Elective –II	5	3	25	75	100	5
III	Elective –III	5	3	25	75	100	5
IV	Skill based Subject 4 (Diploma) COMPUTER SYSTEM – II	3	3	25	75	100	3
V	Extension Activities @	-	-	50	-	50	1
Total						3700	140

\$ Includes 25/40% continuous internal assessment marks for theory and practical papers respectively.

@ No University Examinations. Only Continuous Internal Assessment (CIA)

# No Continuous Internal Assessment (CIA). Only University Examinations.

<b>List of Elective papers (Colleges can choose any one of the paper as electives)</b>		
Elective – I	<b>A</b>	Commodity Derivative Markets
	<b>B</b>	Introduction to Global Economics
	<b>C</b>	Investment Policies and Programme – I
Elective – II	<b>A</b>	Global Marketing
	<b>B</b>	Foreign Trade Procedures and documentation
	<b>C</b>	Investment Policies and Programme – II
Elective – III	<b>A</b>	Principles of Insurance
	<b>B</b>	Life Insurance and Products
	<b>C</b>	Auditing

**B.A. Economics with Portfolio Management**  
**Semester I**

**Part III – Core Paper I – Managerial Economics and Decision Making I**  
**Total Hours: 90**

**Preamble:**

The Paper aims to

- Equip the students with the fundamental tools of economic analysis
- To acquire skills in applying the tools of economic analysis in forecasting demand and deciding production.

**Unit I**

Managerial Economics – Definition, Nature And Scope – Decision-Making Process-Five Basic Principles – Objectives Of The Firm – Role And Responsibilities Of Managerial Economists.

(18 Hours)

**Unit II**

Consumption And Utility Analysis: Wants- Characteristics-Classification-Concept Of Utility-Law Of Diminishing Marginal Utility – Law Of Equi - Marginal Utility – Indifference Curve Analysis – Properties – Marginal Rate Of Substitution – Consumer's Equilibrium – Consumer's Surplus.

(18 Hours)

**Unit III**

Demand Analysis And Forecasting: Law Of Demand – Elasticity Of Demand – Types, Measurement, Applications – Demand Function – Demand Forecasting – Types, Objectives And Purpose Of Forecasting – Methods Of Forecasting.

(18 Hours)

**Unit IV**

Production Analysis: Production Function – Assumptions – Cobb – Douglas Production Function – Use Of Production Function In Decision Making – Isoquants – Laws Of Production: Laws Of Variable Proportions – Laws Of Returns To Scale – Law Of Supply, Economies Of Scale.

(18 Hours)

**Unit V**

Cost Concepts: Concepts and classifications – Cost - Output relationship – Revenue – Concepts, Types, Curves under perfect and Imperfect Competition – Break Even Analysis.

(18 Hours)

**Books for Reference:**

- S. Sankaran : Managerial Economics, Margham Publications, Chennai, 2006.
- R. Cauvery and others : Managerial Economics, S.Chand and Company, New Delhi, 2002.
- S. Mukherjee : Business and Managerial Economics in the Global Context, New Central Book Agency (P) Ltd., KolKata, 2005.

**B.A. Economics with Portfolio Management  
Semester I**

**Part III – Core Paper II – Investment Channels**

**Total Hours: 90**

**Preamble:**

The paper aims to

- Understand the meaning of investment, risk and return.
- Study about investment alternatives and money market securities.
- Know the functioning of primary and secondary market.

**Unit I**

Investment-Definition-Objectives-Reasons for Increasing Popularity-features of an Investment Programme-Risks of Investment-Measures and Sources of Risks-Relationship between Risk and Return

(15 Hours)

**Unit II**

Investment Alternatives: Negotiable Securities: Equity Shares-Classification-Fixed Income Securities-Preference Shares, Debentures, Bonds, KVPS, Government Securities  
Money Market Securities: Treasury Bills, Commercial Papers, Certificate of Deposit,; Non-Negotiable Securities; Bank Deposits; Post-Office Deposits; NBFC Deposits; Private Insurance-brief study on investments in foreign companies

(20 Hours)

**Unit III**

Tax-Sheltered, Savings Schemes: Public Provident Fund-Unit Trust of India-National Savings Schemes-Life Insurance Schemes-Mutual Funds-Real Assets-Real Estate-Antiques

(16 Hours)

**Unit IV**

Securities: Primary Market: New Issues Market-Functions of the Primary Markets-Parties involved in the IPO-Pricing-Allotment of shares-Regulatory Bodies of the Public Issue

Secondary Market: Stock Exchanges in India –Functions-Members/Brokers-Brokers and the investors-Listing of shares-Share groups-Shares Price quotations and Movements-Types of orders-On-Line Trading in BSE and NSE-Settlement System in Stock Exchanges-Regulatory bodies of the Stock Market operations

(20 Hours)

**Unit V**

Safeguards for Investors: Selection of the Broker/Sub-Broker-While entering into agreement-While transacting-While insuring settlement-Rights of Investors-General Do's and Don'ts for Investors-Investor grievances and redressal

(19 Hours)

**Books for Reference:**

- Donald E. Fisher - Security Analysis and portfolio Management  
Prentice Hall of India Pvt. Ltd.,  
Ronald J. Jondan - Investment Analysis and Port folio Management  
Frank K. Reibly - Investment Analysis and Port folio Management  
Keniths C. Brown  
V.K. Bhalla - Investment Management, Security Analysis and  
Port folio Management  
Punithavathy Pandian - Security Analysis and Port folio Management  
Vikas Publishing House P. Ltd.,  
BSE Guide for - By Department of Investor Services  
Investors The Stock Exchange, Mumbai  
Prof. Sri Ram Khanna - Financial Markets in India and Protection and  
Investors, New Century Publications, 2004

**B.A. Economics with Portfolio Management  
Semester I**

**Part III – Allied Paper I – Principles of Management**

**Total Hours: 90**

**Preamble:**

- To acquaint the students with the fundamentals of Business Management
- Highlights is made on the process of planning and decision – making to impart Rational decision – making abilities
- To make the students know about building organizational structure by having a right span with proper delegation
- To make them know about the mechanisms of controlling to achieve Co-ordination.

**Unit I**

Management – Nature – Scope – Functions of Management – Management and Administration – Is Management a science or art or profession – Levels of Management – Managerial skills.

(16 hours)

**Unit II**

Planning – Concept – Nature – Importance – Limitations – Types of Planning – Types of Plans; Objectives Policies (Nature and Types), Procedures, rules, Programmes and Budgets – Management by objectives – Process – Merits. Decision-making-types-steps-factors involved in decision-making.

(18 hours)

**Unit III**

Organisation – nature–steps-key elements-significance-Principles of Sound Organization-Formal and informal Organization (Concept) – Organizational Structure: Types-Line, Line and Staff, functional, Project, Committees (nature, types, merits, demerits). Effective Organizing.

(20 hours)

### **Unit IV**

Delegation – Elements – Principles – Types – Advantages – Barriers – Guidelines to make effective delegations – Departmentation – basis – guidelines – Centralization and Decentralization – Factors – Advantages and disadvantages – Span of Management – Factors influencing span of management.

(20 hours)

### **Unit V**

Controlling – Concept - nature – factors – process – characteristics of an ideal control system – control – devices – Traditional and Modern Techniques. Co-ordination – Determinants – Techniques – ways to achieve Co-ordination.

(16 hours)

### **Books for Reference:**

- B.P. Singh and T.N. Chhabra : Principles & Practice of Management  
Dhanpat Rai & Co (Pvt) Ltd, New Delhi, 2002
- Dinkar Pagare : Principles of Management, Sultan  
Chand & Sons, New Delhi, 2000
- L.M. Prasad : Principles of Management, Sultan  
Chand & Sons, New Delhi, 2001.
- Koontz and O'Donnel : Management, Tata McGraw Hill,  
1998.

## **B.A. Economics with Portfolio Management Semester II**

### **Part III – Core Paper III – Managerial Economics and Decision Making II Total Hours: 75**

#### **Preamble:**

The Paper aims to

- Equip the students with the knowledge of pricing under different market conditions
- Develop the skills in managing capital and profit
- Impart skills in risk management

#### **Unit I**

Market Structure And Pricing Decisions: Classification Of Markets – Pricing Under Perfect Competition – Pricing Under Monopoly – Price Discrimination – Dumping – Pricing Under Monopolistic Competition – Pricing Under Oligopoly (Limited To Kinked Demand Curve Model) – Cournot Model Of Duopoly – Monopsony.

(15 Hours)

#### **Unit II**

Pricing Methods: Cost Plus Or Full-Cost Pricing Method – Target Pricing Or Pricing For A Rate Of Return – Marginal Cost Pricing – Going Rate Pricing – Customary Pricing – Differential Pricing – Its Advantages And Limitations. Pricing Of Joint Products – Pricing A New Product: Skimming And Penetration – Pricing Over The

Lifecycle Of A Product – Pricing For Mature Products – Product –Line Pricing. Pricing By Manufacturers And Retailers – Mark Up And Mark Down Pricing By Retailers.  
(15 Hours)

**Unit III**

Profit Management: Meaning – Theories Of Profit – Hawley’s Theory – Knight’s Uncertainty Theory – Schumpeter’s Innovation Theory – Concepts Of Profit – Accounting And Economic Profits – Functional Role Of Business Profit – Profit Policies. Planning And Forecasting.  
(15 Hours)

**Unit IV**

Capital Management: Capital Budgeting – Cost Of Capital – Project Profitability.  
(15 Hours)

**Unit V**

Managerial Decision Making – Risk And Uncertainty – Types Of Uncertainties – Elements Of Decision Theory – Decision Making Model – Procedure – Classification Of Managerial Decision Problems – Analysis Of Decisions. Decision Taking Under – Certainty And Uncertainty – Probability Theory Approach.  
(15 Hours)

**Books for Reference:**

- S.Sankaran : Managerial Economics, Margham Publications, Chennai,2006.  
R.Cauvery and others : Managerial Economics, S.Chand and Company, New Delhi, 2002.  
S.Mukherjee : Business and Managerial Economics in the Global Context, New Central Book Agency (P) Ltd., KolKata, 2005.

**B.A. Economics with Portfolio Management  
Semester II**

**Part III – Core Paper IV – Financial Markets**

**Total Hours: 75**

**Preamble**

The objective of this paper is

- To acquaint the students with the working of financial markets in India
- To learn the function of RBI and commercial banks
- To know about the features and structures of money market and capital market in India
- To study the role of Non-Banking Financial Intermediaries and important Financial Institutions in Indian Financial Market

### **Unit I**

Financial System in India-Functions-Structure-Financial concepts: Financial Assets-Financial Intermediaries-Financial Markets. Financial Rate of Return and Financial Instruments-Financial Markets-Concept and Constituents-Development of Financial System in India-Weaknesses of Indian Financial System

(17 Hours)

### **Unit II**

Reserve Bank of India-Constitution- Organisation and Management-Functions. Commercial Banks-Meaning-Functions-Investment Policy of a Commercial Bank-Foreign Exchange Banks-Functions-Present position-Defects-Export-Import Bank

(16 Hours)

### **Unit III**

Money Market-Definition-Features-Objectives-Importance-Composition-Call Money Market-Commercial Bills Market-Treasury Bill Market-Money Market Instruments-Structure and Features of Indian Money Market

(16 Hours)

### **Unit IV**

Capital Market-Meaning and Definition-Characteristics-Functions-Importance-Evolution and Growth-Recent initiative in the Indian Capital Market

(12 Hours)

### **Unit V**

Non-Banking Financial Intermediaries – Meaning - Role. Development Banking-Features-Structure-IFCI-IDBI-ICICI

(14 Hours)

### **Books for Reference:**

- |                     |   |
|---------------------|---|
| Gordon & Natarajan  | - Financial Markets and Services<br>Himalaya Publishing House, Mumbai, 2003                         |
| S.Gurusamy          | - Financial Services and Marketing<br>Vijay Nicole Imprints Private Ltd.,<br>Chennai, 2004          |
| Sri Ram Khanna      | - Financial Markets in India & Protection of<br>Investors, New Century Publications,<br>Delhi, 2004 |
| M.L. Jhingan        | - Monetary Economics<br>Vrinda Publications (P) Ltd., Delhi, 2005                                   |
| Dr.Cauvery & Others | - Monetary Economics,<br>S.Chand & Company Ltd., New Delhi, 2003                                    |
| M.L.Seth            | - Monetary Economics, Lakshmi Narain<br>Agarwal, Agra, 2000   |



**B.A. Economics with Portfolio Management**  
**Semester II**  
**PART III – Allied II Computerized Accounting - Tally**

**Total Hours: 90**

**Preamble:**

The objectives of the Paper are

- ❖ To familiarize the students with accounting skills using tally software

**Unit I**

Basics of Accounting-Accounting Principles – concepts and conventions- Double entry system- Rules of Accounting – mode of accounting – financial statements. Accounting on Computers: Accounting system – Benefits of accounting on computers- factors contributing to change – Challenges associated with accounting on Computers,

**Unit II**

Tally Fundamentals: Introduction to Tally – Features of Tally – Getting functional with Tally – Creation/ Setting up of a company in Tally- F11 Features – F12 Configure – Value added tax in Tally

Processing Transactions in Tally: Ledgers and Groups – Accounting Vouchers – Contra Voucher – Payment Voucher – Receipt Voucher – Journal Voucher – Sales Invoice – Duties and taxes – Recording Transaction of Sample Data

**Unit III**

Generating and Printing of Accounting Reports: Financial Reports in Tally – Balance Sheet – Profit and Loss Account –Account Books – Group Summary – Group Vouchers – Generation of Reports

Inventory in Tally: Stock Groups – Stock Items – Units of Measure – Inventory Vouchers - Recording Simple Inventory Transactions

**Unit IV**

Purchase and Sales: Cash and Credit Purchases – Cash and Credit Sales – Purchases Returns – Sales Returns – Bill of exchange – Bills Receivable and Bills Payable – Revenue Recognition Principles – Price Levels

Display and Reports: Introduction – Accounting and Inventory Reports in Tally

**Unit V**

Accounting Reports: Balance Sheet – Profit and Loss Account – Account Books – Statement of Accounts – Day Book

Inventory Reports: Stock Summary – Inventory Books

Printing Reports: Types of Print Configuration Options – Print Format

**Books for References :**

- Namrata Agarwal & Sanjay Kumar : Financial Accounting on Computers using Tally  
Dreamtech Press, New Delhi, 2002
- N.Satyapal : Using Tally  
Khanna Publications, New Delhi, 2000
- Implementary Tally : BPB Publication, 2001

**B.A. Economics with Portfolio Management  
Semester III  
PART III – Core Paper V – Macro Economics**

**Total Hours: 75**

**Preamble:**

The paper is designed to

- Make the students aware of the basic, theoretical framework underlying the field of macro economics.
- Expose the students to macro economic aspects in Keynesian and Post-Keynesian economics.

**Unit I**

Definition, nature and scope of Macro Economics – Circular flow of income Closed Economy Model – Open Economy Model – Importance of circular flow of income – National Income – Concepts, Measurement – Difficulties in measurement of national income\* - Various forms of Social Accounting and their uses.

(15 Hours)

**Unit II**

Classical Theory of Employment: Say's Law of Market – Pigou's wage on Policy – Keynesian Theory of Employment: Effective Demand – Under employment equilibrium. Difference between Classical Theory of Employment and Keynes Theory on Employment.

(15 Hours)

**Unit III**

Consumption Function – Average and Marginal Propensity to Consume Determinants of Consumption Function\* - Keynes's Psychological Law of Consumption Function – Duesenberry's Relative Income Hypothesis – Friedman's Permanent Income Hypothesis.

(15 Hours)

**Unit IV**

Savings – Types of Saving\* - Determinants of Saving – Investment function Types of Investment – Determinants of Investment. Marginal Efficiency of Capital and Rate of Interest (Only Liquidity Preference Theory of Interest) – Saving and investment equality – Classical Approach – Keynes Approach – Multiplier – Its working and Leakages – Principles of Acceleration.

(15 Hours)

### Unit V

Post – Keynesian Macro Analysis – Contributions of Hicks and Hansen – IS – LM function – Primary and secondary objectives of general Macro Economics Policy – Supply side economics.

(15 Hours)

### Books for Reference

- Dr. R. Cauvery and Others : Macro Economics, S. Chand & Company Ltd.,  
New Delhi, 2004.
- M.L. Jhingan : Macro Economics, Konark Publishers Pvt  
Ltd., New Delhi, 1987
- Dr. S. Sankaran : Macro Economics, Margham Publications,  
Chennai, 2004.

## B.A. Economics with Portfolio Management Semester III Core Paper VI- Fundamentals of Portfolio Management

Total Hours - 60

### Preamble

This paper aims to

- Know the Portfolio strategies
- Study the various approaches to security analysis and
- Understand Portfolio construction and performance evaluation

### Unit I

Portfolio Management-Definition-Types-Objectives-Strategies: Passive Portfolio Management Strategy-Buy and Hold Indexing, Active Portfolio Management Strategy: Top-Down Strategy-Bottom-Up Strategy-Contrarian Investment Strategy-Price Momentum Strategy-Earnings Momentum Strategy-Constraints

(12 hours)

### Unit II

Traditional approach of Portfolio construction: Steps in traditional approach-Analysis of constraints-Determination of Objectives, Selection of Portfolio

(12 hours)

### Unit III

Modern approach of Portfolio construction-Simple Markowitz Portfolio optimization-Simple Sharpe Portfolio Optimization-Ranking of securities-Selection of the best Portfolio

(12 hours)

### Unit IV

Portfolio performance Evaluation: Sharpe's performance Index-Treynor's performance Index-Jensen's performance Index

(12 hours)

### Unit V

Portfolio Revision: Measures of Return-Formula plan-Purchase and Sale of Stock-Types of Orders-Rebalancing-Upgrading, Cost of Revision: Trading fees-Commissions-Transfer charges-Tax Implications-Window Dressing

(12 hours)

### Books for Reference

- |                                       |   |   |
|---------------------------------------|---|---|
| Punithavathy Pandian                  | - | Security Analysis and Portfolio Management<br>Vikas Publishing House (P) Ltd.           |
| Frank K.Reithy & Kaith C.Brown        | - | Investment Analysis and Portfolio<br>Management, Thomson                                |
| Donald E.Rosche &<br>Ronald J. Jordon | - | Security Analysis and Portfolio Management<br>Prentice Hall of India (P) Ltd. New Delhi |
| V.A.Avadhani                          | - | Investment and Security Markets in India<br>Himalaya Publishing House, New Delhi        |
| V.K.Bhalla                            | - | Investment Management<br>S.Chand & Company Ltd., New Delhi                              |

## B.A. Economics with Portfolio Management Semester III

### PART III – Allied Paper III –Statistics

**Total Hours: 90**

### Preamble

This course aims at

- Analyzing and interpreting data
- Applying the statistical tools for solving economic problems

### Unit I

Definition – importance – functions and limitations of statistics – Primary and Secondary data, census and sampling methods – Collection of data\* Frequency distribution – Classification and Tabulation of data – Diagrammatic and Graphical representation – Ogive and Lorenz Curves

(20 Hours)

### Unit II

Measures of Central Tendencies – Functions of an average – Essentials of an ideal average – Arithmetic mean – Geometric Mean – Median – Mode – Relationship between different averages – Appropriateness of an average.

(16 Hours)

### Unit III

Measures of Dispersion – Range – Quartile Deviation – Mean Deviation – Standard Deviation – Coefficient of Variation – Skewness – Kurtosis.

(17 Hours)

### **Unit IV**

Simple Correlation – Meaning and types – Measurement of Correlation – Karl Pearson’s Coefficient of Correlation – Spearman’s Rank Correlation – Method of Least Square with one independent variable.

(18 Hours)

### **Unit V**

Index numbers – Laspeyre’s, Paasche’s, Fisher’s Ideal Index Numbers – Cost of Living numbers – Time Series Analysis – Components and measurements of Time Series limited to moving average and least square methods.

(19 Hours)

Note: Theory carries 40 marks and problems carry 60 marks

### **Books for Reference:**

- R.S.N. Pillai and Mrs. V. Bagavathi : Statistics, S. Chand & Company Ltd., New Delhi, 1997.
- S.P. Gupta : Statistical Methods, Sultan Chand & Sons, New Delhi, 1991.

## **B.A. Economics with Portfolio Management Semester IV PART III –Core Paper VII – Monetary Economics**

**Total Hours: 60**

### **Preamble**

The Paper aims at

- Understanding the role of money ,theories of Money and how money is Managed in Modern economy
- Analyzing the monetary forces, their developmental role and limitations in shaping and influencing the monetary policies

### **Unit I**

Nature and importance of Money – Significance of money – Definition of Money – Functions of Money, Value of Money – Measurement of changes in value of money.

(10 Hours)

### **Unit II**

The supply and demand for money. The Supply of Money- Measures of Money Supply (Different approaches – Traditional, monetarist, Gurley- Shaw, Radcliff approach – in brief)

Velocity of circulation of money : Demand for money – classical view – modern view.

(14 Hours)

### **Unit III**

Theories of Money –Fisher’ quantity theory of money – Cambridge version of quantity theory – Keynes theory of money and prices– Reformulation – Friedman’s Restatement of quantity theory of money.

(14 Hours)

#### **Unit IV**

Inflation – meaning – definition – causes-demand pull inflation – cost push inflation – effects of inflation – control of inflation – effects of deflation – control of deflation – stagflation – business cycles – meaning – phases – types.

(10 Hours)

#### **Unit V**

Commercial banks in Economic Development –credit Creation by Commercial banks – Functions of central banks- Methods of Credit Control.

Money and capital market (a brief idea only) - Monetary policy – its objectives. Financial Intermediaries– their role in India’s Economic Development.

(12 Hours)

#### **Books for Reference :**

- Dr.S.Sankaran : Monetary Economics, Margham Publications, Chennai, 2005
- B.N. Ghosh and Rama Ghosh : Fundamentals of Monetary Economics, Himalaya Publishing House, Bombay, 1990
- M.L.Jhingan : Monetary Economics, Konark Publishers Pvt. Ltd., Delhi, 1997
- T.T.Sethi : Monetary Economics, S.Chand & co. Ltd., Delhi, 1996

### **B.A. Economics with Portfolio Management Semester IV**

#### **Part III - Core Paper VIII – Computer Applications in Economics**

**Total Hours: 45**

#### **Preamble:**

The Papers covers the essential skills for using all the programs separately and as a team

- It equips the students to develop their own application using Graphical user Interface.
- Knowledge of Microsoft Access as Database Management System to organizing Staggering information about personal and business life.
- To learn Power point presentation graphics program.

#### **Unit I:**

Windows 2000: Introduction to computers – Windows 2000 – Features of Windows 2000 – Date and Time, Time Zone, Display, Background, Screen saver, Fonts, Modems, Mouse, Mouse Pointers – Explorer.

(10 Hours)

**Unit II:**

MS Word : Word Basics – Starting word creating documents, parts of a word window, formatting features, menus, commands, toolbars and their icons – Mail Merge – Macros – Word Exercises.

(9 Hours)

**Unit III:**

MS Excel: Excel Basics – Introduction – Menus, Commands, Toolbars and their icons – Data sort – Functions – Excel Exercises.

(9Hours)

**Unit IV:**

MS Power Point: Power Point Basics – Introduction – Toolbars their Icons and commands – Navigating in Power Point – working with PowerPoint (Animation effects, Hyperlink)

(8 Hours)

**Unit V:**

MS Access : Introduction – Parts of an Access window – (Toolbars and their Icons) – creating a simple database and tables – forms – entering and editing data – finding, sorting and displaying data – Printing reports, form, letters and labels.

(10 Hours)

**Books for Reference:**

- Sanjay Saxena : “A First Course in Computers”, Vikas Publishing House Pvt Ltd., Delhi, 2003.  
Ron Mansfield : Working in Microsoft Office, Tata Mc Graw Hill Publishing Company Ltd., Delhi, 2005.

**B.A. Economics with Portfolio Management  
Semester IV  
Part III – Allied Paper IV –Business Mathematics**

**Total Hours: 90**

**Preamble:**

The paper helps the students

- ✓ To gain elementary mathematical knowledge
- ✓ To know the application of mathematical techniques in Economic theories.

**Unit I : Mathematical Economics and Algebra**

Nature and scope of Mathematical Economics – Mathematical operations with decimal and fractions – Ratios and proportions – Variations – Progression – Arithmetic progression – Harmonic progression – Geometric progression – Binomial progression.

(16 hours)

**Unit II : Number system and equation**

Number system – Prime numbers – Integers – Rational numbers – Operations with fractions - Real number system – Properties of real number system Equation – Linear and Quadratic – Solutions to linear and quadratic equations.

(18 hours)

**Unit III : Matrix Algebra**

Matrix – Types – Addition – Subtraction – Multiplication – Determinants – Transpose of matrix – Inverse of matrix – Solution of simultaneous equation – Cramer's rule – Matrix inversion method (3\*3).

(18 hours)

**Unit IV : Differentiation**

Geometry of Marginal analysis – Process of Differentiation – Rules of Differentiation – Some Standard results – Exponential and logarithmic – Derivatives of Higher Order – Sign of differential coefficient – Application of second order derivatives and nature of curve – maximum and minimum values of a function (single variable) – Order conditions for maximum and minimum values.

(19 hours)

**Unit V : Mathematics of finance**

Simple interest, Compound interest – Depreciation – Discounting – Annuity – Perpetuity – Amortization – Sinking fund – Percentage – Cost, Sales, Profit – Purchase discount – Trade, Quantity and Cash – Commission.

(19 hours)

Note : Theory carries 40 marks and problem carries 60 marks.

**Books for Reference:**

- V.D.Deshpande, Chandekar & Dharmadhihari : Elementary Mathematical Techniques for Economics, S. Chand & Company Pvt Ltd., New Delhi, 1998.
- B.C. Metha and B.C.Madnani : Mathematics for Economists, Sultan Chand & sons, New Delhi 2000.
- B. Navaneetham & others : Business Mathematics, Anand Publications, Tiruchirapalli, 1998.
- Srinath Baruah : Basic Mathematics, Applications in Economics, Macmillan India Ltd, Chennai, 2001
- Alpha C Chiang : Business Mathematics, Mc Graw Hill Book Company, New Delhi, 1984.



**B.A. Economics with Portfolio Management**  
**Semester V**  
**Part III – Core Paper IX – Fiscal Economics**

**Total Hours: 90**

**Preamble:**

The aim of the Paper is

- to enable the students to understand the fundamentals of Public Finance
- to impart a thorough understanding of the role and functions of the Government in a modern economy and
- to study the impact of financial operations on economic activities

**Unit I**

Nature And Scope Of Public Finance – Meaning And Definition Of Public Finance – Distinction Between Public Finance And Private Finance. Principles Of Maximum Social Advantage

(15 Hours)

**Unit II**

Public Revenue – Meaning , Significance Of Public Revenue, Sources Of Public Revenue –Tax & Non Tax Revenue. Canons Of Taxation- Objectives Of Taxation- Characteristics Of A Good Tax Systems. Effects Of Taxation On Production And Distribution. Direct And Indirect Taxes (With Special Reference To Income Tax, Wealth Tax, Gift Tax, Sales Tax, VAT, Excise Duties, And Custom Duties ) – Meaning Of Incidence And Shifting And Modern Theory Of Incidence

(20 Hours)

**Unit III**

Public Expenditure – Classification Of Public Expenditure – Causes For The Growth Of Public Expenditure – Effects Control Of Public Expenditure. Public Debt – Meaning And Classification Of Public Debt – Causes –Growth Of Public Debt Methods Of Debt Redemption –Effects Of Public Debt

(20 Hours)

**Unit IV**

Principles Of Federal Finance - Centre – State Financial Relationship – Role Of Finance Commission – Report Of Current Finance Commission – Deficit Financing – Meaning, Methods And Effects

(20 Hours)

**Unit V**

Fiscal Policy – Meaning –Objectives – Tools, Role Of Fiscal Policy In Developing Economy. Budget – Features – Objectives – Balanced And Unbalanced Budget – Budgetary Procedures In India

(15 Hours)

**Books for Reference:**

- Dr.R.Cauvery & others : Public Finance (Fiscal Policy)  
S.Chand & Ltd.,Delhi 2005
- B.P.Tyagi : Public Finance JaiPrakash Nath  
& Co., Meerut,2005

- S.Sankaran : Fiscal Economics, Margham Publications, Chennai, 2001
- R.K. Lekhi : Public Finance, Kalyani Publishers New Delhi, 2003

## **B.A. Economics with Portfolio Management Semester V**

### **Part III – Core Paper X – Analysis of Financial Statements**

**Total Hours: 75**

#### **Preamble:**

The aim of the paper is to

- Know the purpose of analyzing financial statements.
- Acquaint students with the interpretation of profit and loss account and balance sheet.
- Enhance the calculating ability of financial ratios.

#### **Unit I**

Major Financial Statements-Balance Sheet-Format-Assets-Liabilities: Profit and Loss Account-Statement of Cash flows-Cash flows from operating activities-Cash flows from investing activities-Cash flows from financing activities-Purpose of financial statement analysis. (13 Hours)

#### **Unit II**

Analysis of Profit and Loss Account-Significance of Profit and Loss Account-Gross operating revenues-operating costs-Gross Profit-Net Profit-Factors to be considered in the interpretation of the year to year volume of business. (15 Hours)

#### **Unit III**

Interpretation of balance sheet changes-Sources and application of funds statement-Changes in net current assets-Percentage balance sheet-Trend percentages-Methods of using statements of comparison. (15 Hours)

#### **Unit IV**

Financial Ratios-Meaning-Types: Liquidity Ratios-Capital Structure/Leverage ratios-Profitability ratios-Activity ratios-Specific uses of ratio analysis-Limitations of ratio analysis. (16 Hours)

#### **Unit V**

Valuation Ratios-Book value per share-Dividend to market price –Earnings per share-Growth rate-Price-earnings ratio-Intrinsic value-Computation of valuation ratio from the financial statements. (16 Hours)

**Books for Reference:**

- Berstein, Leopold and John J. Wild Irwin : Financial Statement Analysis: Theory, Application and Interpretation, McGraw Hill Inc., New Delhi, 1998
- White, Gerald I, Ashwinpaul Sondhi and Dov Fried : The Analysis and use of Financial Statement, Wiley, New York, 1998
- Harry G. Guthmann : Analysis of Financial Statement, Prentice Hall of India (Pvt) Ltd., New Delhi
- Frank K. Reilly & Keith C. Brown : Investment Analysis of Portfolio Management
- Punithavathy Pandian : Security Analysis and Portfolio Management, Vikram Publishing House (Pvt) Ltd.,

**B.A. Economics with Portfolio Management**  
**Semester V**  
**Part III- Core Paper XI -Capital Market Intermediaries**

**Total Hours - 75**

**Preamble:**

The paper aims to

- study the registration formalities, duties and code of conduct of intermediaries in primary and secondary markets.
- understand the Depository system in India
- know the role of merchant bankers and lead managers as capital market intermediaries
- study the guidelines for the establishment of mutual funds and to know the functioning of credit rating agencies in the capital market

**Unit I**

Capital Market Intermediaries-Stock Exchanges-Primary Market-SEBI Registered Intermediaries for IPOs- Secondary Market-Registration Formalities, Duties and code of conduct for members and Sub-Brokers of BSE and NSE

(15 hours)

**Unit II**

Depositories-Registration-SEBI-Guidelines-Definition-Functions Immobilization and Dematerialisation of Share Certificates-Depository Process-Depository System in India

National Securities Depository Ltd (NSDL)-Promoters-Functions-Central Services (India) Ltd (CSDL)-Promoters-Functions-Drawbacks of Indian Depository System-Remedial reasons

(15 hours)

**Unit III**

Merchant Bankers-Registration-Functions of Merchant Bankers-SEBI Guidelines-Underwriters-Defaults of Merchant Bankers and Penalty

Lead Managers-Appointment-Responsibilities-Documents to be submitted to SEBI-Registrars and Share Transfer Agents-Appointment-Functions

(15 hours)

**Unit IV**

Mutual Funds- SEBI Guidelines for Establishment. Types-Open-ended schemes-Closed-ended schemes, NAV-Debt-oriented Mutual Funds-Equity-Oriented Mutual Funds-Tax Savings Schemes-New Fund Offerings-The Process of New Fund Offerings-Rules Governing New Fund Offerings-Gold Exchange Traded Fund-Fund of Funds; Arbitrage Funds-Real Estate Mutual Funds-Capital Protection Schemes

(15 hours)

**Unit V**

Credit Rating Agencies-Registrations-Eligibility Criteria-Rating Process-CRISIL-ICRA-Symbols and their significance-Portfolio Managers-Registrations-Code of conduct- Disclosures to the SEBI

## Investment Advisors-Registrations-Requirements-SEBI Guidelines

Custodians : SEBI Guidelines  
Stocklenders : SEBI Guidelines

(15 hours)

### Books for References:

[www.sebi.gov.in](http://www.sebi.gov.in)

- |                      |  |
|----------------------|--|
| V.A.Avadhani         | - Investment and Security Markets in India<br>Himalaya Publishing House, New Delhi |
| V.K.Bhalla           | - Investment Management<br>S.Chand & Company Ltd., New Delhi                       |
| M.Y.Khan             | - Financial Services, Tata Mc Graw Hill<br>Publishing Company, New Delhi, 2000     |
| P.Mohan Rao & Others | - Financial Services, Deep and Deep<br>Publications, New Delhi,                    |

**B.A Economics with Portfolio Manangement**  
**Semester V**  
**Part III Core Paper XII Entrepreneurship Development**  
**Total Hours :75**

**Preamble:**

The aim of the paper is

- To acquire the knowledge regarding characteristics of an entrepreneur
- To develop an interest in entrepreneurial activity and
- To equip them with entrepreneurial skills for self employment

**Unit I**

Entrepreneurship – meaning and definition – importance – factors affecting entrepreneurial growth – social, economic and environmental factors. Types of functions of an entrepreneur – Qualities of a successful entrepreneur.

(14 hours)

**Unit II**

Women entrepreneurs : concepts, functions and role of women entrepreneurs. Growth and women entrepreneurs, problems of women entrepreneurs – role of women entrepreneurs associations – selection of industry by women entrepreneurs. Types of industries/business suitable for women entrepreneurs – Rural entrepreneurs.

(16 hours)

**Unit III**

Search for a business idea – sources – processing and selection – selection of types of organization – project classification and identification – project objectives – internal and external constraints – format for a report.

(15 hours)

**Unit IV**

Training and finance objectives of training – phases of EDP – special agencies for training – institutional finance with special emphasis of commercial banks. IDBL IFCI, ICICI, IRBI, SFCS,. SIPCOT, Khadi and Village Industries Commission – Micro Finance –Incentives and Subsidies( a Brief Study)

(15 hours)

**Unit V**

Business correspondence and communication – drafting the notices of company meetings – drafting of resolutions, minutes, correspondence – banking – insurance agency – structure of business letters – sales & trade computer based systems – need transaction – processing system characteristics – advantages – management information system – characteristics – benefits.

(15hours)

### **Books for Reference:**

- E.Gordon & K. Natarajan : Entrepreneurship Development, Himalaya Publishing House, Delhi,2005
- S.Mohan & R.Elangovan : Current Trends in Entrepreneurship, Deep & Deep Publications Pvt,Ltd., Delhi,2006
- R.Saravanakumar, R. Parameswaran : A Text Book of Information & T.Jayalakshmi (V Unit) : Technology, S.Chand & Co Ltd., Delhi, 2003
- C.B.Gupta & N.P. Srinivasan : Entrepreneurial Development, Sultan Chand & Sons, Delhi,2003
- P.Saravanel : Entrepreneurial Development, Principles, Policies & Programme Ess Pee Key Publishing House, Madras, 1997
- R.S.N.Pillai & Bagavathi : Commercial Correspondence & Office Management, S.Chand & Company, New Delhi,1996

**B.A. Economics with Portfolio Management**  
**Semester VI**  
**Part III – Core Paper XIII – Indian Economic Issues**  
**Total Hours: 90**

#### **Preamble:**

The Paper enables the students

- ❖ To have an essential understanding of various issues of the Indian Economy and
- ❖ To have the ability to comprehend & critically appraise the current Indian Economic Problems

#### **Unit I**

Characteristics Of Indian Economy As A Developing Economy – Demographic Trends In The Post-Independence Period – Birth Rate, Death Rate, Age Composition, Sex Ratio, Density, Life Expectancy, Literacy, Urbanization And Workforce Participation Rate – Unemployment – Kinds – Government’s Policy Measures To Remove Unemployment – Future Scenario Of Unemployment In India.

(16 Hours)

#### **Unit II**

Place Of Agriculture In Indian Economy – Causes For Low Productivity – Credit Needs Of The Indian Farmers – Sources Of Rural Credit – Present System Of Indian Agricultural Marketing – Measures To Improve Agricultural Marketing (In Brief) – New Agricultural Strategy - Green Revolution – Problems Created By Green Revolution – Agricultural Price Policy – Indian Agriculture And WTO – Recent Initiatives In Indian Agriculture.

(18 Hours)

### Unit III

Role Of Industrialization – Industrial Policy 1991 – Importance Of Small Scale Industries – Recent Policy Initiatives For Promoting Small Scale Industries – Industrial Sickness In India – Causes, Consequences And Remedial Measures – Changing Features Of Indian Industrial Labour – National Wage Policy – Social Security Measures In India – Impact Of WTO On Indian Industry.

(19 Hours)

### Unit IV

India's Foreign Trade – Growth And Structure – India's Foreign Trade Policy – Main Features, Phases Of It – Export – Import Policy (2002 – 2007) – Foreign Capital – Types – Government's Policy Towards Foreign Capital – Foreign Aid And Indian Economic Development – WTO And India's Foreign Trade.

(18 Hours)

### Unit V

Inflationary Trends In India – Causes Of Inflationary Rise In Prices – Government Policy To Control Prices. External Value Of Rupee And Foreign Exchange Reserves – Foreign Exchange Regulation Management Act 1973 – Foreign Exchange Regulation Management Act 1999 - Reasons For The Growth Of MNC's – Impact Of MNC's On Indian Economy.

(19 Hours)

### Books for Reference:

- Ruddar Dutt and K.P.M Sundaram : Indian Economy, S.Chand & Company Ltd., New Delhi, 2004
- S.K Misra & V.K. Puri : Indian Economy, Its Development Experience, Himalaya Publishing House, Mumbai, 2004
- Ishwar D.Dhingra : Indian Economy, S.Chand & Co., Delhi 1997
- Dr.S.Sankaran : Indian Economy, Margham Publications, Chennai, 2004

**B.A. Economics with Portfolio Management**  
**Semester VI**  
**Part III – Core Paper XIV – Global Investment**

**Total Hours: 75**

### Preamble:

The paper aims to

- Know the significance of international investment and the different modes of it.
- Study the various theories of international investment.



- Understand the theories of FDI.
- Know the benefits and problems of foreign portfolio investment.
- Study Foreign Investment in India.

### **Unit I**

International Investment: Meaning – Significance – Types – Factors affecting International Investment – Foreign Trade and Investment – Mode of Foreign Investment – operation through branches, Foreign Collaborations, Mergers and Acquisitions  
(15 hours)

### **Unit II**

Theories of International Investment: Theory of Capital movements – Market imperfections Theory – Internalisation Theory - Appropriability Theory – Location Specific Advantage Theory – International Product Life Cycle Theory – Electric Theory – Knicker Bocker's Theory.  
(15hours)

### **Unit III**

Foreign Direct Investment : Meaning – Significance – Objectives – major Theories of FDI Theory of Monopolistic Advantage, Oligopoly Theory of Advantage, Product Life Cycle model, Eclectic Theory, Growth and Dispersion of FDI – Host Country economic determinants of FDI – Impacts of FDI – FDI Vs Exports –Hirsch Model.  
(15 hours)

### **Unit IV**

Foreign Portfolio Investment: Meaning - Significance – Benefit of international portfolio investment – Problems –Identification of optimal international investment portfolio.  
(15 hours)

### **Unit V**

Foreign Investment in India – Government's policy towards foreign investment – The New Policy 1991 and its evaluation – Foreign Investment Inflows (Category wise and Country wise ) Since 1991 – Non Resident Indian Investment ( in brief ). Foreign Institutional Investors Investment – Government Guidelines - Regulation – Overseas Venture Capital.  
(15 hours)

### **Books for Reference:**

- |                    |   |  |
|--------------------|---|--|
| Francis Cherunilam | : | Global Economy and Business Environment, Himalaya Publishing House, Mumbai, 2005 |
| John Clark Francis | : | Investments Analysis & Management Mc Graw Hill Inc, New Delhi, 1991              |
| Khan M.Y           | : | Indian Financial System, Tata Mc Graw Hill Publishing Ltd., New Delhi, 2002      |
| Mithani D.M        | : | International Economics, Himalaya  |

Vyuptakesh Sharan

Publishing House, Mumbai, 2003  
: International Financial Management,  
Prentice – Hall of India, New Delhi, 2003

**B.A. Economics with Portfolio Management**  
**Semester VI**  
**Part III- Core Paper XV - Security Analysis**  
**Total Hours - 75**

**Preamble:**

The paper aims to

- study the meaning of security analysis and the approaches to analyse it
- understand technical analysis as an approach in detail
- have clear idea about Capital Market efficiency

**Unit I**

Securities-Meaning-IOUs as Securities-Characteristics of Securities-Primary issues and Derivative Securities-Security Analysis-Meaning-Approaches to Security Analysis-Fundamental Analysis and Technical Analysis-Steps involved in Fundamental analysis (Economic, Industry and Company)

(15 Hours)

**Unit II**

Technical Analysis-Meaning-History of Technical Analysis-Assumptions-Technical view of Price adjustment to new information-Advantages of Technical Analysis-Challenges to Technical Analysis-Technical Trading-Rules and Indicators-Stock market cycle-Comparison of Technical Analysis and Fundamental Analysis

(15 Hours)

**Unit III**

Dow theory-Primary, Intermediate and Short term trends-Support and resistance level- Volume of trade-The trends of the Market- Short sales

Charts-Advantages-Point and Figure Charts-Bar charts-Chart Patterns- 'V' formation-Tops and bottoms-Double Top and bottom-Head and Shoulders-Triangles-Flags-Panant

(15 Hours)

**Unit IV**

Moving Average-Index and Stock price Moving Average-Stock price and Stock Prices' Moving average-Comparison of the two moving averages-Oscillators-Relative strengths Index-Rate of Change-Identification of over bought and over sold zones

(15 Hours)

**Unit V**

Efficient Capital Market-Definition-Why should capital market be efficient-Alternative efficient market hypothesis- Weak firm efficient market-hypothesis-Test and result-Semi strong firm efficient market hypothesis-Test and results-Strong firm hypothesis-Test and Result- Efficient Market and Fundamental Analysis- Efficient Market and Technical Analysis

(15 Hours)

III – SEMESTER – PART – IV SKILLS BASED SUBJECT - 1  
DIPLOMA - TRADE ECONOMY AND COMPUTER SYSTEM  
FINANCIAL ACCOUNTING

SUBJECT DESCRIPTION:

The Course deals with the essential concepts of accounting procedures.

OBJECTIVES:

1. To make the students to understand the basic concepts of accounting procedures.
2. To encourage the students to learn modern techniques in the accounting field.

UNIT I

Accounting - Definition, objects, functions and importance, classification of accounts - Double Entry System concept; Journal, ledger and Trial Balance.

UNIT II

Subsidiary Books - Cash Book, Bank Reconciliation Statement.

UNIT III

Preparation of Final Accounts of sole traders - trading and Profit & Loss A/c. and Balance Sheet - with simple adjustment.

UNIT IV

Single Entry System - Statement of Affairs; Conversion into double entry (Simple Problems)

UNIT V

Accounts of Non - Trading concerns - Receipts and Payments A/c. Income & Expenditure A/c. and Balance Sheet.

REFERENCE BOOKS

1. Principles of Accountancy - N. Vinayakam, P.L. Mani & K.L. Nagarajan.
2. Financial Accounting - R.L. Gupta and V.K. Gupta - Sultan Chand and Sons, New Delhi.
3. Financial Accounting - SP. Jain and K.L. Narang - Kalyani Publishers, Ludhiana.
4. Financial Accounting - Santhana Gopalan and Parthasarathy, Sultan Chand and Sons, New Delhi.
5. Financial Accounting - Reddy and Murthy - Margham Publications - Chennai - 17.

NOTE : Question Papers must contain problems to the extent of 60% of the marks allotted to the subject.

IV – SEMESTER – PART – IV SKILLS BASED SUBJECT - 2

DIPLOMA - TRADE ECONOMY AND COMPUTER SYSTEM  
II TRADE DOCUMENTATION

SUBJECT DESCRIPTION:

The subject deals with essential methods of Trade documentation.

OBJECTIVES:

1. To familiarize the students to learn the procedures of foreign trade and documentation methods.
2. To enable the students to gain knowledge regarding Trade documentation.

UNIT I

Avenues of International Trade - Direct exporting - Joint venturing - licensing arrangement, Management contracting, foreign investment - turnkey projects, consulting.

UNIT II

Role of Shipping - Liners, tramps, Bill of lading - Jettison and general average, particular average, warranties and other shipping terminologies - containerization - Air Transport - Multi Model Transport - Cargo Insurance.

UNIT III

Need, Rationale and Types of document - INCO terms - Ex - works - Free on Truck - cost and freight - Cost Insurance Freight - Free on Board - Document against payment - Document against Acceptance - Invoice, Inspection certificate - Certificate of Origin.

UNIT IV

Export, Import Licenses - Letter of Credit Mechanism - Uniform Customs and Practices for Documentary Credit (UCPDC) - Duty drawback procedure.

UNIT V

Packing Methods - Packing List - Quality Control and Inspection - Clearance of Export Cargo - valuation and classification of goods in customs - Warehousing under Customs Act - Post - Shipment Formalities and procedures.

REFERENCE BOOKS

Government of India, Handbook of Import and Export procedures.  
Balagopal Export Management, Himalaya Publishing House, Delhi  
Paras Ram - Export - What, Where and How - Tata MC Graw Hill International Edition.

SEMESTER - V- PART – IV SKILLS BASED SUBJECT - 3

DIPLOMA - TRADE ECONOMY AND COMPUTER SYSTEM

COMPUTER SYSTEM - I

SUBJECT DESCRIPTION:

The course deals with the basic knowledge on different concepts of computer applications.

OBJECTIVES:

1. To provide knowledge on different concepts of computer applications
2. To enable the students to understand the importance of computer system.

UNIT I

Description of Electronic Computers - CPU Operations - Classification of Computers - Main - Mini - Work Stations - Micro Computers - Super Computers - Personal Computers - Computer Software - Types of Software.

UNIT II

Input devices - Mouse - Touch Screens, MICR - OCR, Keyboard, Pen based - Input Digital Scanners - Voice input devices - Sensors.

UNIT III

Output devices - Impact Printers - Non Impact Printers - Video display terminals - plotters - Voice output devices - Secondary storage devices - Magnetic disk - Floppy - Magnetic Tape - Optical Disk Storage C.D. Rom.

UNIT IV

Tally 7.2 - opening New Company - safety of accounts - password characteristic, Making Ledger accounts - writing voucher - voucher entry - Making different types of vouchers - correction of Sundry Debtors and Sundry Creditors.

UNIT V

Preparation of trial balance - Books of Accounts - Cash Book - Bank Book - Ledger accounts - Group Summary - Sales Register and Purchase Register - Journal Register - Statement of Accounts and Balance Sheet.

REFERENCE BOOKS

Nathari - Tally 7.2, B.P. Publications.  
S. Palanivel - Tally Accounting Software - Margham Publications.  
Parameswaran - Computer Applications in Business.

SEMESTER - VI- PART – IV SKILLS BASED SUBJECT - 4

DIPLOMA - TRADE ECONOMY AND COMPUTER SYSTEM  
COMPUTER SYSTEM - II

SUBJECT DESCRIPTION

The course deals with the different concepts relating to MS. Office and computer system.

OBJECTIVES

1. To understand the significance and basic concepts of computer systems.
2. To provide knowledge of the application of computer system in the field of MS. Office

UNIT I

MS. Office Basics - creating document - entering text -selecting text - giving instructions - using tool bars - menu commands - key board - shortcut - saving files - opening documents - Manipulating windows - simple editing - printing files - file merger.

UNIT II

Word Basics - Using Auto text - using Auto correction - word editing techniques - finding and replacing text - checking spelling using templates - formatting - formatting with styles - creating tables.

UNIT III

Excel Basics - entering data - selecting ranges - editing entries - formatting entries - simple calculation - naming cells and ranges - data display - printing work sheets - copying entries between work books - moving sheets between work books - deleting sheets - creating graphs.

UNIT IV

Power Point Basics - editing text - adding subordinate points - deleting slides - working outline view - a design template merging presentation in slider sorter view applying templates - adding graphs - adding organisation charts - running an electronic slide - show adding special effects.

UNIT V

Access Basics - creating a table entering and adding records - changing a structure - working with records - creating forms - establishing relationships - using queries to extract information - using report to print information.

REFERENCE BOOKS

1.	R.K. Taxali	-	PC Software for windows made simplex Tata Mcraw Hill Publishers Pvt. Ltd.
2.	Stephen.L	-	Office 2000 Complete reference by BPB
3.	Joyce Cox, Polly Urban	-	Quick Course in Microsoft Office - Galgotial Publications.
4.	T. Karthikeyan&Dr.C. Muthu	-	PC Software for Office Automation - Sultan Chand.
5.	Sanjay Saxena	-	A first course in Computer
6.	R. Krishnamoorthi	-	Computer programming and application
7.	A.L. Stevens	-	Teach; your self windows.

## **SEMESTE-V ELECTIVE I-A** **Commodity Derivatives Markets**

**Total Hours - 90**

### **Preamble:**

The paper is designed to

- Create awareness about the commodities derivatives market
- Provide valuable insight into rationale for commodity trading and the trading practices

### **Unit I**

Commodity Markets-Evolution and Growths of Commodity Derivatives Market-Participants: Hedgers-Speculators-Arbitrators-Futures accepted by the International Association of Exchange: The Agricultural Futures-The Energy Futures-The Metal Futures-Investment Opportunities in Commodity Derivatives Meaning-Market Terminologies and their Definitions  
(18 hours)

### **Unit II**

Online Trading-Operational Procedures and Practices-Types of Orders: The customer order-The Market Order-The limit order-The Market –if-touched order-The All or More order-The fill- or-kill order -Positions in Derivatives Transactions: The Long Position-The Short Positions-Liquidation  
(18 hours)

### **Unit III**

Multicommodity Exchanges: Multicommodity Exchange of India Ltd (MCX)-Membership-Qualification and Capital Adequacy requirements-Categories-Membership-Related documents-Demat at MCX-Derivatives Dealt-Major Trading centres and Terminals-Trading at MCX-Delivery and Settlement Mechanism-Benefits of MCX  
(18 hours)

### **Unit IV**

National Commodity and Derivatives Exchange Ltd (NCDEX)-Promoter-Shareholders-Other shareholders-Membership Framework-Commodity Derivatives Traded-Major Trading Centres-Trading at NCDEX-Delivery and Settlement Mechanisms-Benefits to Investors  
(18 hours)

### **Unit V**

National Multicommodity Exchange of India Ltd (NMCE) Promoters-Membership Requirement-Trading Centres and Terminals-Trading at NMCE-Delivery and Settlement Mechanism-Benefits to Investors

National Board of Trade Ltd (NBOT)-Promoters-Membership Qualification-Promoters-Authorised Representatives -Qualification-Non-Member Client-Management-Trading System-Delivery and Settlement-Benefits to Investors  
(18 hours)

### **Reference**

[www.mcxindia.com](http://www.mcxindia.com)  
[www.ncdex.com](http://www.ncdex.com)  
[www.nmce.com](http://www.nmce.com)  
[www.nbotind.org](http://www.nbotind.org)



## **SEMESTE-V ELECTIVE I-B** **Introduction to Global Economics**

**Total Hours: 90**

### **Preamble:**

- The paper helps the students
- ✓ To familiarize with the theory, policy as well as the working of the international trade and payment system and
  - ✓ To get knowledge about the present world economic order.

### **Unit I**

International Trade- Meaning-Merits and demerits-The basis of International Trade and Internal Trade-Free trade vs. Protection – Methods of Protection and their effects  
(17 Hours)

### **Unit II**

Theories of Internal Trade: Ricardo's Theory of Comparative Cost, Heckscher-Ohlin Theory-Its superiority over Classical Theory-Factor Price Equalisation Theorem  
(18 Hours)

### **Unit III**

Balance of Trade Vs Balance of Payments - Meaning and Significance-Disequilibrium-Causes-Methods to Correct Adverse Balance of Payments Terms of Trade-Kinds Factors affecting Terms of Trade (Basic Level)  
(18 Hours)

### **Unit IV**

Exchange Rate-Meaning, Determination of Equilibrium Exchange Rate-Fixed Vs Flexible Exchange Rate-Causes for the Fluctuation in Exchange Rate –Exchange Rate Mechanism-Calculations of Forward Exchange Rate-Cross Rate-Spot Exchange Rate Settlement Procedure-Currency Arbitrage-Two Point Currency Arbitrage-Triangular Arbitrage  
(20 Hours)

### **Unit V**

International Financial Institutions IMF – IBRD – UNCTAD – WTO - International Liquidity-New International Economic order  
(17 Hours)

### **Books for Reference:**

- |                 |  |
|-----------------|--|
| Jhingam M.L.    | - International Economics,<br>Konark Publishers, New Delhi, 2003                     |
| Desai S.M.      | - International Economics, Himalaya Publishing House,<br>Mumbai 1990                 |
| Machiraj H.R.   | - International Financial Markets and India<br>Wheeler Publishing Ltd., Mumbai, 1997 |
| Sundaram K.P.M. | - Money, Banking and International Trade,<br>Sultan Chand and Co., New Delhi, 1979   |



## **SEMESTE-V ELECTIVE I-C** **INVESTMENT POLICIES AND PROGRAMMES - I**

### **SUBJECT DESCRIPTION**

The subject of the course deals with the importance of investment and the functions of stock exchange market.

### **OBJECTIVES**

1. Enlighten the students about the investment policies
2. Understanding and analysing the various issues related to share market.

### **UNIT I**

Investment - Financial and Economic - meaning of investment - importance of Investment - Features of an Investment programme.

### **UNIT II**

Security valuation - Scope - elements of investment - Approaches to investment - Basic valuation models.

### **UNIT III**

Bonds - Types - public Sector Bonds - Zero Bonds - shares - preference shares and Equity Shares - Bonus and Right Shares.

### **UNIT IV**

Debentures - Non-convertible- partly convertible, Fully convertible debentures.

### **UNIT V**

Share market - primary market, How to apply for new issues - Basics of allotment - Secondary market - Functions of Stock Exchange.

### **REFERENCE BOOKS**

1. Ralph Eastman Badger and Harrg - Investment principles and practice  
G. Guthamann
2. Dougall Herbert - Investments
3. Preeti Singh - Investment Management
4. B.S. Grewal and Nahjot Grewal - Successful Stock market Investment
5. S.S. Grewal and Nahjot Grewal - Profitable Investment in shares
6. Preeti Singh - Investment Managemetri Security  
Analysis and Portfolio Management,  
Himalaya Publishing Home,  
Mumbai - 2004.

7. A.N. Shanbhag - In the Wonderland of Investment,  
Focus Popular Prakasham,  
Mumbai, 1999.
  
8. V.K. Bhalla - Investment Management Security  
Analysis and Portfolio Management,  
S.Chand & Co, Ltd,  
New Delhi - 1997.
  
9. Vasant Desai - The Indian Financial System.  
The system that cares Financial  
Markets,  
Institutions & Services,  
Himalaya Publishing House,  
Mumbai, 1997.

## **SEMESTE-VI ELECTIVE II-A**

### **Global Marketing**

**Total Hours: 75**

#### **Preamble**

The aim of the paper is

- To give the students an insight into the emerging markets world wide
- To enable the students to learn and apply concepts relating to Global Marketing

#### **Unit I**

Global Marketing-Introduction-Definition-Nature and Scope- Global Marketing Vs Domestic Marketing-Levels of Global Marketing Involvement-The EPRG Framework and Global Marketing Concepts-Ethnocentric Orientation-Polycentric Orientation - Regiocentric Orientation – Geocentric Orientation – Objectives - Global Marketing Decisions - Problems in Global Marketing

(15 Hours)

#### **Unit II**

Global Marketing Environment-Political and Legal Environment-Economic Environment-Social and Cultural Environment. Global Market Selection-Need-Process-Market Profile. Market segmentation-Recruitments-Macro and Micro segmentation (a very brief account only). Market Entry strategies

(15 Hours)

#### **Unit III**

Global Marketing Research - Need – Definition – Scope - Global product strategies-International product life cycle (IPLC)-Managing the International product and service mix-New product Development steps-Classification of new products

(15 Hours)

#### **Unit IV**

Global Pricing-Government Influence on Pricing-Transfer pricing-Dumping-steps-Global pricing decisions

(10 Hours)

#### **Unit V**

Managing Global Distribution Operation: Established Channels-Building own channels-Middlemen involved in Global Distribution-Home Country Middlemen-Foreign country middlemen-Alternative Global Distribution structures-Facilitators of Global Distribution and logistics - Challenges to Global Distribution and Logistics

Controlling Global Marketing Operations-Formal Controls-Informal controls-The Future of Global Marketing.

(20 Hours)

#### **Books for Reference**

International Marketing

- Dana-Nicoleta Lasca  
Biztantra, New Delhi, 2003

- International Trade and Export Management - Francis Cherunilam  
Himalaya Publishing House,  
New Delhi, 1997
- International Marketing - B.S. Rathor & J.S. Rathor,  
Himalaya Publishing House,  
New Delhi, 1996
- Global Marketing Management - Warren J.Keegan  
Prentice Hall of India Pvt. Ltd.  
New Delhi, 2002

**SEMESTE-VI ELECTIVE II-B**  
**Foreign Trade Procedures and Documentation**

**Total Hours: 75**

***Preamble***

The objectives of this paper are

- ❖ To expose the students to export and import trade and
- ❖ To familiarize the students with procedures of export-import trade

***Unit I***

Foreign Trade – need – its role in economic development – Growth and structure of India’s Foreign Trade policy- Main Features, Phases of it - Export-Import policy 2004-2009-Objectives-Key strategies-Highlights. (14 Hours)

***Unit II***

Export Procedures-Registration stage-Pre-shipment stage-Quality control and pre-shipment inspection-Sales Tax exemption- Realisation of Export proceeds - Realisation of incentives. (14 Hours)

***Unit III***

Export Documentation-Aligned Documentation system-Proforma Invoice-Commercial Invoice-Letter of Credit-Meaning-Types-Advantages-Packing List-Mate’s receipt-Bill of lading-Certificate of Origin-Shipping bill-Consular Invoice-Bill of Entry-Airway bill-GR Form. (17 Hours)

***Unit IV***

Import procedure-Liberalisation of Imports-categories of Importers-Special scheme for Importers-Classification of Goods for Import policy and assessment of duty-Legal Dimensions of Import procedures-customs clearance – Bill of Entry-Forward Contract (14 Hours)

***Unit V - Practice Workshop***

1. Master Document
2. Documents related to import of Goods
  - a) Invoice
  - b) Packing List
  - c) Certificate of Origin
  - d) Mate Receipt
  - e) Bill of Lading
  - f) Shipping Bill/ Airway Bill
  - g) Export of Goods under claim for Duty drawback
3. Documents Related to payment
  - h) Letter of Credit
  - i) Bill of Exchange
  - j) Bank Certificate of Payments
4. Documents Related to Foreign Exchange

- k) Exchange control Declaration (GR Form)
- 5. Documents Related to Insurance
  - l) Marine Insurance Certificate
  - m) Marine Insurance Declaration
  - n) Shipment Advice
  - o) Shipping Order
  - p) Format of Registration-Membership Certificate
  - q) Income Tax Return

(15 Hours)

***Books for Reference:***

- Acharya and Jain - Export-Import Procedures and Documentation  
Himalaya Publishing House, Mumbai, 2006
- Dutt and Sundaram - Indian Economy  
S.Chand & Co. Ltd. New Delhi, 2005
- Paras Ram - Export-What, Where, How  
Anupam Publishers



**SEMESTE-VI ELECTIVE II-C**  
**INVESTMENT - POLICIES AND PROGRAMME - II**

**SUBJECT DESCRIPTION**

The subject of the course deals with different investment opportunities available in the economy.

**OBJECTIVES**

1. To provide the knowledge of various issues related to portfolio selection.
2. To educate the students about Mutual funds in a modern economy.

**UNIT I**

Economic Analysis - Industry analysis and Company analysis - Book value - market value of shares.

**UNIT II**

Growth shares, Income shares - Ratio Analysis - Earning per share, Price - Earning ratio - payout - ratio - yield - Dividend Policies.

**UNIT III**

Portfolio selection - Scope, type of investors - operation of investment in the stock market - Bulls and Bears - Role of Depositories.

**UNIT IV**

Mutual Funds - Types - Advantages and Disadvantages - Net Asset Value - UTI and other Mutual Funds.

**UNIT V**

Role of Stock Market in the India Economy - Important companies, FERA Companies - SEBI

**REFERENCE BOOKS**

1. Ralph Eastman Badger and Harrg - Investment principles and practice  
G. Guthamann
2. Dougall Herbert - Investments
3. Preeti Singh - Investment Management
4. B.S. Grewal and Nahjot Grewal - Successful Stock market Investment
5. S.S. Grewal and Nahjot Grewal - Profitable Investment in shares
6. Preeti Singh - Investment Managemetri Security  
Analysis and Portfolio Management,  
Himalaya Publishing Home,  
Mumbai - 2004.

7. A.N. Shanbhag
  - In the Wonderland of Investment, Focus Popular Prakasham, Mumbai, 1999.
  
8. V.K. Bhalla
  - Investment Management Security Analysis and Portfolio Management, S.Chand & Co, Ltd, New Delhi - 1997.
  
9. Vasant Desai
  - The Indian Financial System. The system that cares Financial Markets, Institutions & Services, Himalaya Publishing House, Mumbai, 1997.

**SEMESTE-VI ELECTIVE III-A**  
**Principles of Insurance**

**Total hours - 90**

**Preamble:**

The objectives of this paper are

- To provide a basic knowledge of insurance business
- To enhance the employability of the students in insurance sector

**Unit I**

Insurance – Definition – Functions – Nature – Principles – Kinds of Insurance – Role and Importance of Insurance – Insurance contract – Difference between different types of insurance contract – Insurance regulatory and development authority – Objectives – Duties and powers of IRDA – Privatization of Life Insurance Business.

(18 hours)

**Unit II**

Life Insurance Policies – Classification Of Policies – Conventional And Non Conventional Policies – Annuities – Policy Conditions – Surrender Value – Life Insurance For The Under Privileged. Risk – Selection Of Risk – Factors Affection Risk – Sources Of Risk Information – Classes Of Risk – Methods Of Risk Classification – Measurement Of Risk And Mortality Table – Features – Treatment Of Sub-Standard Risk.

(20 hours)

**Unit III**

Marine Insurance – Definition – Elements Of Marine Insurance Contract – Kinds Of Policies – Policy Conditions – Payment Of Claims.

(18 hours)

**Unit IV**

Fire Insurance – Definition – Elements Of Fire Insurance Contract – Kinds Of Policies – Policy Conditions – Payment Of Claims.

(18 hours)

**Unit V**

Miscellaneous Insurance – Motor Insurance – Burglary Insurance – Personal Accident Insurance – Re Insurance.

(16 hours)

**Books for Reference**

Dr. P. Periasamy : Principles and Practice of Insurance

Himalaya Publishing House, Delhi, 2005.

- Inderjit Singh, Rakesh Katyal & Sanjay Arora. : Insurance Principles and Practices  
Kalyani Publishers, Chennai, 2003
- M.N. Mishra : Insurance Principles and Practice,  
S. Chand & Company Ltd, Delhi, 2005.

## **SEMESTE-VI ELECTIVE III-B** **Life Insurance and Products**

**Total Hours: 60**

### **Preamble:**

The paper aims to provide

- Knowledge about Life Insurance Corporation as a major player in Insurance sector
- In-depth information on the various policies of LIC of India

### **Unit I:**

LIC of India: Origin – Meaning and Objectives – Need for Life Insurance – Benefits of Life Insurance– Procedure for taking a Policy – Kinds of Policies – Whole Life Policy – Endowment Policy – Term Policy – Life Insurance Plans – Plans for risk cover, plans for saving and investment – Plan for women and children, Plan for handicapped, Options and polices riders on policies – Private Players and Life Insurance Products. (13 hours)

### **Unit II:**

Whole Life Policy – Whole Life Policy with Profits – Limited Payment Life Policy with Profit – Types of Plans-, Features-, Tax Treatment – Merits and Demerits. (11 hours)

### **Unit III:**

Endowment Policy – Endowment with Profits – Convertible Whole Life, Limited Payment with Profits, Endowment Plus whole life plans – Types of Plans- features-tax treatment – merits and demerits. (11 hours)

### **Unit IV:**

Money Back Policy – Children Policies – Policies for handicapped- Policies high risk - low premium plans – whole life and money back plans - features- tax treatment – merits and demerits. (12 hours)

### **Unit V:**

Pension Plans – Pension – Annuity Plan – Survival rate- single premium – Pension Plan – Annual Premium Pension Plan – Pension Options – Option on mode of payment of pension – Income tax treatment of Premium and claim proceeds. Group insurance - Group Gratuity Insurance - Group Super Annotation Insurance, Group Savings Linked Insurance, Unit Linked Insurance Plan, Senior Citizen Plan. (13 hours)

### **Books for Reference:**

- Mishra, M.N : Insurance: Principles and Practice,  
S.Chand & Co Ltd., New Delhi, 2005
- Julia Holyoake & William Weipers : Insurance, A.I.T.B.S. Publishers, Delhi,  
2002

- Dr.Gupta , P.K : Insurance Management, Himalaya  
Publishing House, Mumbai, 2004
- Bodla , B.S., Garg M.C,& Singh : Insurance, Fundamentals, Environment &  
Procedures , Deep & Deep Publications,  
Delhi,2003
- Murthy, A : Elements of Insurance, Margham  
Publications, Chennai, 2006
- Panda G.S : Principles and Practice of Insurance,  
Kalyani Publishers, New Delhi, 2005
- Websites:  
[www.lic.com](http://www.lic.com)  
[www.metlife.com](http://www.metlife.com)  
[www.arva.com](http://www.arva.com)

## **SEMESTE-VI ELECTIVE III-C**

### **Auditing**

**Total Hours :75**

#### **Preamble:**

The objectives of this paper are:

- To impart knowledge about Principles and methods of auditing
- To familiarize the students with the techniques of auditing and its applications

#### **Unit I**

Definition – objectives of Auditing – Advantages and limitations of auditing – Auditing and investigation – Qualities of an Auditor – Detection of errors and frauds. Various types of audit: Continuous audit – Final audit – Interim audit – Balance sheet audit – Advantages of continuous audit.

(12 hours)

#### **Unit II**

Audit procedure – Planning of audit – Audit programme – Audit note book – Audit working papers – Internal control and internal check – Internal check as regards cash, wages, sales, etc., Position of external Auditor as to Internal audit.

(15 hours)

#### **Unit III**

Vouching – Meaning – Definition – Vouchers – Vouching of cash transactions – Trading transactions – Impersonal ledgers.

(16 hours)

#### **Unit IV**

Verification and valuation of assets and liabilities – Auditor's position – Auditors duty regarding depreciation – Reserves and provisions.

(16 hours)

#### **Unit V**

Company Audit – Appointment and Removal of Auditor – Rights and duties of company Auditor – Liabilities of company Auditor – Audit of Share Capital – Audit of Share Transfer.

Audit of Computerized Accounts – e-audit.

(14 hours)

**Books for Reference:**

- B.N.Tandan : A Hand book of Practical Auditing  
S.Sudharsanam : S.Chand & Co.Ltd., New Delhi, 2006  
S.Sundharabahu  
R.G.Saxena : Principles and Practice of Auditing  
Himalaya Publishing House, Mumbai, 2002  
R.Sharma : Auditing  
Lakshmi Narain Agarwal Educational Publishers,  
Agra, 2000