

# UNIVERSITY OF DELHI

Scheme of Admission,

Scheme of Examination

and

Course Structure

for

**B.A. (Honours) Business Economics**

*Applicable to students seeking admission to the  
B.A. (Honours) Business Economics course  
in the academic year 2010-11 and later.*

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## PREAMBLE

The underlying philosophy of the B.A. (Honours) Business Economics course is to develop theoretical and analytical skills of the students so that they may be absorbed in the corporate world or be able to pursue higher studies at the Master's level in Business Economics and Economics. In the rapidly changing globalised market scenario, the need was felt to equip students with the capability to understand and handle the dynamic of economics and the business world.

In order to achieve the above-mentioned objectives, a comprehensive revised syllabus comprising of topics relating to economics, quantitative techniques and business have been included in the three-year, six-semester module, giving wider coverage to the course contents, better organisation to enable easier assimilation of the same by the students, and a more professional touch to the course.

The papers have been redesigned to include more recent changes and developments in the concerned subjects. The papers in computer fundamentals and applications have been redesigned to introduce the student to packages required for statistical analysis and to enable the student to implement the techniques through computers, thus supplementing the quantitative papers. The core economics papers have been rationalized in their structure and sequencing wherein a broad idea of microeconomic and macroeconomic concepts and theories is introduced in the first and second semesters. The same is followed by a more detailed and in-depth knowledge of the subject in the third and fourth semesters. There has been a substantial increase in the quantitative techniques component of the course to equip students with the essential tools for business and economic analysis. In this regard Econometrics and Operations Research have been introduced as essential papers. The course continues to expose students to the areas of finance, marketing and the legal structure within which businesses operate. Thus a fine balance has been maintained between the economic theory and practical business components.

Five optional groups in finance, economics, quantitative techniques, marketing and project management and entrepreneurship provide the students a wide array of areas in which to specialize. These should help the student choose the area that are best suited to their interest and skill.

## Course Structure

Semester	Paper Number and Title
I.	101: Microeconomics - I
	102: Statistics for Business Economics
	103: Fundamentals of Business & Accounting
	104: Business Communication
II.	201: Microeconomics - II
	202: Mathematics for Business Economics
	203: Legal Aspects of Business
	204: Marketing Management
III.	301: Macroeconomics – I
	302: Industrial Economics
	303: Business Finance
	304: Basic Econometrics
IV.	401: Macroeconomics – II
	402: Organisational Behaviour
	403: Quantitative Techniques for Management
	404: Indian Financial System
V.	501: Indian Economy
	502: Computational Techniques for Business Economics
	511: Elective Paper F1 - Investment Management
	521: Elective Paper M1 - Consumer Behaviour
	531: Elective Paper Q1 - Advanced Econometrics
	541: Elective Paper E1 - International Economics
	551: Elective Paper P1 - Project Management
VI.	601: Environment Economics
	602: Business Strategy & Ethics
	611: Elective Paper F2 - International Finance Management
	621: Elective Paper M2 - Advertisement & Branding
	631: Elective Paper Q2 - Advanced Mathematical Techniques
	641: Elective Paper E2 - Economic Growth & Policy
	651: Elective Paper P2 - Entrepreneurship and Family Business

For the elective papers in the Vth and VIth semesters, students will be required to opt for two groups from among the five groups: Finance (F), Economics (E), Project Management and Entrepreneurship (P), Marketing (M) and Quantitative Techniques (Q). For each chosen group, students will be required to enrol for the first paper in the Vth semester and the second paper in the VIth semester. The groups and the papers are as follows:

Group F: Finance:

F1: Investment Management – Paper No. 511

F2: International Finance Management – Paper No. 611

Group M: Marketing:

M1: Consumer Behaviour – Paper No. 521

M2: Advertisement & Brand – Paper No. 621

Group Q: Quantitative Techniques:

Q1: Advanced Econometrics – Paper No. 531

Q2: Advanced Mathematical Techniques – Paper No. 631

Group E: Economics:

E1: International Economics – Paper No. 541

E2: Economic Growth & Policy – Paper No. 641

Group P: Project Management & Entrepreneurship:

P1: Project Management – Paper No. 551

P2: Entrepreneurship and Family Business – Paper No. 651

## REVISED ORDINANCE FOR B.A.(HONS.) BUSINESS ECONOMICS

The B.A. (Hons.) Business Economics shall be a three-year, full-time Honours Degree Course, to be taught in six semesters, viz., semester I, II, III, IV, V and VI.

### **Scheme of Admission**

Candidates who have passed Class XII examination of the CBSE or any other examination considered equivalent by the University of Delhi shall be eligible for taking the joint entrance test for admission to the B.A. (Hons.) Business Economics course subject to the eligibility conditions required and the admission procedure to be laid down by the University from time to time.

### Eligibility Conditions for Seeking Admission

- (a) The candidate should have passed Senior Secondary School Examination (10 +2) of CBSE or any other examination considered equivalent by the University of Delhi.
- (b) The candidate should have secured an aggregate of at least 60% marks in his/her XII class examination (55% for SC, ST, CW and PC categories) in four papers including English and Mathematics. The other two papers are to be selected from the following list: Accountancy, Biology, Biotechnology, Business Studies, Chemistry, Commerce, Computer Science, Economics, Entrepreneurship, Geography, History, Philosophy, Physics, Political Science, Psychology and Sociology.
- (c) The candidate should have obtained pass mark in each of the four papers considered for computing the aggregate in the above mentioned subjects.
- (d) The candidate seeking admission to the B.A. (Honours) Business Economics course must provide the confirmed result of the qualifying examination and marks obtained therein within one week of the appearing in the joint entrance test.
- (e) The marksheet of the qualifying examination and the reserved category certificates of OBC (of Central List & non creamy layer), SC, ST, PC, and CW, as applicable, in the name of the candidate, must be produced on the day of counselling.
- (g) The candidates securing compartment in the qualifying examination in a particular year shall not be considered for admission in that year.
- (h) Foreign nationals seeking admission to B.A.(Hons) Business Economics course against the prescribed quota of seats earmarked for them, shall have to apply through the Foreign Students Advisor, c/o Faculty of Management Studies, University of Delhi, Delhi - 110007 and are exempted from the written examination.
- (j) Those foreign students who have acquired their minimum qualification for admission from any Indian Board, in India have to apply directly as a General category candidate. They are required to appear for the joint entrance test like general category candidates and follow the same selection process as applicable

to the general category and in addition fill up the foreign student application form of FSR office (downloadable from: <http://www.du.ac.in/forms/foreignstudents1.pdf>). All admission of foreign students are channeled through the Foreign Students Registry (FSR) office of University of Delhi.

## Selection Process

### **I. Written Joint Entrance Test**

The University of Delhi will hold a Joint Entrance Test for the three courses B.A. (Hons.) Business Economics, BBS and BFIA. Applicants shall be called for an objective type, multiple choice test, which shall be held at Delhi and other centres, where feasible, and as specified by the Faculty of Applied Social Sciences and Humanities.

The written examination is designed to test the aptitude of the candidates to pursue the courses B.A. (Honours) Business Economics, BBS and BFIA. There is no prescribed syllabus or format for the entrance examination. The following areas have been usually included in the entrance examination in the past.

- Quantitative Ability (Based on Mathematics upto class XII or its equivalent)
- Reasoning and Analytical Ability
- General English
- Business and General Awareness

The candidate will be required to attempt 120 questions in 120 minutes. Each correct answer will get a score of plus 3 marks, each wrong answer will get a score of minus 1 mark and a question not answered will get a score of 0 marks. Marking of multiple answers for one question shall be treated as wrong answer.

The test shall be of two hour duration, extra time will be given to the candidate for filling up details on test booklet and answer sheet, marking attendance, verification of candidates' documents, distribution, and collection of test material etc.

The scheme of examination may be changed on the recommendation of the admission committee.

### **II. Final selection for the course**

The final selection of all candidates shall be based on the score computed by giving equal weightage to the performance in Class XII examination and the performance in the joint entrance test. The result declared shall comprise of the final score of the candidate and the rank secured by the candidate in the category to which the candidate belongs.

### **III. Counselling and Admission of candidates for all courses**

The candidates shall be allotted the respective colleges as per their merit and their order of preference at the time of counselling during the relevant counselling session.

Candidates offered admission are required to deposit the fees during the time allocated along with their documents at the allotted college, failing which the candidature will be cancelled.

Candidates who do not take admission during the stipulated time lose the right of admission to the course. Candidates not present when called to the counselling will not be entertained later.

At the second and third counselling, admitted candidates will be permitted a change of college subject to availability of seats. To avail of any change to a preferred college, the candidate should have necessarily deposited fees and fulfilled the remaining admission formalities within the allocated time at their allotted college, failing which the candidate loses right to admission as well as a right to exercise any choice of college later.

Right to exercise choice for admission and to avail the change of preference for college will be offered to only those candidates who are present on all the days of counselling specified for them.

In case the candidate is unable to be present on the day of counselling an authorized representative of the candidate can exercise the preference for college and meet other admission requirements. An application to this effect signed by the candidate should be submitted to the admission committee.

### Fees for the Course

A course fee of Rs. 12,000 per annum shall be charged to each student enrolled in the course. In addition, students would be required to pay the fee as applicable to the B.A.(Hons.) Business Economics course at each college.

The colleges shall maintain a separate fund, comprising of the course fee and any additional fee charged to the students of B.A.(Hons.) Business Economics by the college. The money available in the fund shall be used for the following purposes, after approval by the Business Economics teachers committee at each college:

1. Organising of teaching, guest teaching and special lectures for the course, where necessary;
2. Organising of seminars, symposia, workshops, orientation programmes for students and teachers;
3. Organising of industrial/field visits, business interaction, summer training and placements;
4. Organising of student presentations, project preparation and business/research training;
5. Organising of extra-curricular activities for students to enhance team-building and inter-college interaction;
6. Preparation and purchase of study material and its copying for distribution to students;
7. Creation and maintenance of a department library;
8. Creation of department diary and any such promotional material of the course for use by the students;



9. Preparation and publishing of a student magazine/journal/newspaper;
10. Purchase of equipment to enable any of the above;
11. Creation of physical infrastructure to enable any of the above;
12. Institution of freeships and/or scholarships for needy students;
13. Travel expenses for teachers required to undertake work for the course and travel expenses and registration fee for participating in seminars and other academic activities by teachers involved in the teaching of the course;
14. Any other expenditure considered appropriate for the proper conduct of the course and for development of the students, with the approval of the Head, Department of Business Economics, University of Delhi South Campus.

# Scheme of Examination and Rules of Promotion

## Scheme of Examination

1. B.A.(Honours) Business Economics shall be a three-year full-time honours degree course, to be taught in six semesters, viz., semester I, II, III, IV, V and VI. There will be 24 papers in all, taught over the six semesters. Four papers are to be taught in each semester. Students are required to study 20 compulsory papers and 4 papers in electives during the course of three years.
2. In V & VI semester elective papers are offered in Finance, Marketing, Economics, Quantitative Techniques and Project Management & Entrepreneurship areas. Students are required to choose 2 elective streams (each stream comprising two papers). Paper (1) of each elective stream shall be taught in semester V and paper (2) of the elective stream will be taught in Semester VI. Elective streams offered in a semester would depend upon the number of students interested in enrolling for each specialization. The specialization groups offered will be the discretion of the particular college.
3. For each theory paper, each week, 4 Lectures of 55 minutes each and 1 tutorial of 55 minutes each for each batch of 8-10 students would be conducted. For the computer paper requiring interface with computers 3 laboratory classes of 110 minutes each would be held for each batch of 25-30 students.
4. Medium of teaching will be English alone.
5. Teaching methodology would include Lectures, Case Studies, Business Games, Seminars & Project Work. As computers have entered every walk of life, wherever applicable relevant softwares would be integrated into the course. Industry Interaction would be through Guest Lectures / Seminars / Projects / Industrial tours.
6. The Department of Business Economics shall convene a meeting of teachers for each paper of B.A. (Hons.) Business Economics before the commencement of the academic semester to incorporate new study material and discuss the detailed topics and their weightage in the paper.
7. No candidate shall be considered to have pursued a regular course of study unless he/she is certified by the college authorities to have attended at least two thirds of the total number of lectures, tutorials, practicals, seminars and case discussions etc., conducted in each semester during the student's course of study.
8. All students shall have to undertake summer training for duration of 6 to 8 weeks at the end of semester II or semester IV during the Summer vacations in a business/corporate/research/academic organisation.

9. An examination in all odd semester papers shall be conducted at the end of odd semesters and an examination in all even semester papers shall be conducted at the end of even semesters with an only exception of V semester exam to be held along with the VI semester exam.
10. Each theory paper shall carry 100 marks, out of which 25 marks shall be reserved for internal assessment. In the internal assessment, 20% weightage will be given to attendance, 80% marks for assignments/tests/house examination/project presentation. The internal assessment shall be conducted once for each student in each paper. During subsequent reappear, essential or for improvement, the internal assessment marks shall remain unchanged.
11. The computer paper in Vth Semester shall also carry 100 marks of which 25 marks shall be reserved for internal assessment and 25 marks for practicals to be conducted & evaluated jointly by internal and external examiner during the semester. The rest of the 50 marks shall comprise of a project to be evaluated through a viva voce conducted by the University.
12. For each theory paper, a written examination of three hours duration at the end of each semester for 75 marks and for computer paper a practical exam of 2 hours duration and a viva voce will be conducted by the university on the project submitted by the student.

The paper of examination shall be as follows:

Sem . No.	Paper No. and Title	Lectures* per week (1)	Tutorial Classes** per week (2)	Duration of Written Exam (in hours) (3)	Written Exam Max Marks (4)	Internal Assessment Max Marks (5)	Total Maximum Marks (4)+(5)= (6)
I.	101: Micro Economics - I	4	1	3	75	25	100
	102: Statistics for Business Economics	4	1	3	75	25	100
	103: Fundamentals of Business & Accounting	4	1	3	75	25	100
	104: Business Communication	4	1	3	75	25	100
II.	201: Micro Economics - II	4	1	3	75	25	100
	202: Mathematics for Business Economics	4	1	3	75	25	100
	203: Legal Aspects of Business	4	1	3	75	25	100
	204: Marketing Management	4	1	3	75	25	100
III.	301: Macro Economics - I	4	1	3	75	25	100
	302: Industrial Economics	4	1	3	75	25	100
	303: Business Finance	4	1	3	75	25	100
	304: Basic Econometrics	4	1	3	75	25	100
IV.	401: Macro Economics - II	4	1	3	75	25	100
	402: Organisational Behaviour	4	1	3	75	25	100
	403: Quantitative Techniques for Management	4	1	3	75	25	100
	404: Indian Financial System	4	1	3	75	25	100

V.	501: Indian Economy	4	1	3	75	25	100
	502: Computational Techniques for Business Economics	3 laboratory sessions of 110 minutes per group of 25-30 students		Practical exam of 2 hours duration	Project : 50 Practical :25	25	100
	511: Option F1: Investment Management	4	1	3	75	25	100
	521: Option M1: Consumer Behaviour	4	1	3	75	25	100
	531: Option Q1 : Advanced Econometrics	4	1	3	75	25	100
	541 : Option E1 : International Economics	4	1	3	75	25	100
	551 : Option P1 : Project Management	4	1	3	75	25	100
VI.	601: Environment Economics	4	1	3	75	25	100
	602: Business Strategy & Ethics	4	1	3	75	25	100
	611: Option F2 : International Finance	4	1	3	75	25	100
	621: Option M2: Advertisement & Brand Management	4	1	3	75	25	100
	631: Option Q2 : Advanced Mathematical Techniques	4	1	3	75	25	100
	641: Option E2 : Economic Growth & Policy	4	1	3	75	25	100
	651 : Option P2 : Entrepreneurship and Family Business	4	1	3	75	25	100
<b>TOTAL</b>							<b>2400</b>

\*Lectures will be of 55 minutes duration.

\*\* Tutorial class shall be of 55 minutes duration and shall be held for each batch of 8 to 10 students.

## Promotion Rules

1. **Internal Assessment performance is not considered for promotion purposes:** For the purpose of passing and promotion of a student the marks secured by the student in the internal assessment shall not be considered.
2. **Internal Assessment is conducted once:** The internal assessment of each student in each paper is conducted when the student is enrolled as a regular student in the year in which the particular paper is taught. Internal assessment marks scored by the student shall remain unchanged in case the student subsequently engages in essential reappear, reappear for improvement or reappear after failing.
3. **Passing in a year:** A student shall be required to obtain at least 40% of marks in the aggregate in both the semesters together in all the eight papers to be declared passed in a particular year.
4. **Promotion to the next year without passing:** If a student fails to secure 40% marks in aggregate in both the semesters together in all the eight papers, then subject to essential reappear in a maximum of two papers in which the student has scored the least marks, if the aggregate in the remaining six papers is 40% marks or higher, the student shall be promoted to the next year with essential reappear in one or two papers. Such promoted students shall be regular students of the college if they were enrolled in the first or second years and shall be required to enrol as ex-students in case they were enrolled in the third year.
5. **Passing after Promotion with Essential Reappear:** A student who is required to reappear in any paper(s) of an examination of any year at a subsequent examination may be declared to have passed the examination if by combining the marks obtained in that paper(s) at the subsequent examination with the marks obtained in the remaining papers earlier, he/she secures the minimum marks required for passing the examination of that year.
6. **Failing in a year:** A student who is not eligible for passing or for promotion with reappear shall be deemed to have failed in the particular year. The student who fails in First or Second or Third year examination shall be required to reappear in the subsequent examination on being enrolled as an ex-student as per the rules of the University.
7. **Reappearing for a failed student:** An ex-student shall be required to re-appear only in those papers in which the student has scored less than 40% of the marks in the written examination. In case the student wishes, the option to repeat an entire semester or the entire year shall be available.
8. **Scheduling of Papers:** An examination in all odd semester papers shall be conducted at the end of odd semesters and an examination in all even semester

papers shall be conducted at the end of even semesters No supplementary examination for any of the semester shall be conducted.

9. **Reappearing for improvement:** Reappearing for improvement in any paper is permitted subject to the condition that papers of the first and second semesters may be improved upon in the third and fourth semesters respectively and the papers of the third and fourth semesters may be improved upon in the fifth and sixth semesters respectively. After passing the third year a student may choose of reappear for improvement in one or more individual papers of the third year.
10. **Award of Degree:** Students who have secured pass in each of the three years are eligible for the award of a B.A. (Honours) degree in Business Economics. Such candidates shall be classified on the basis of the combined result of semester I, II, III, IV, V and VI examinations as follows:

Candidates securing in aggregate shall be categorised as follows:

75% and above	First Division with Distinction
60% and less than 75%	First Division
50% to less than 60%	Second Division
40% to less than 50%	Third Division

11. **Maximum period:** A candidate must qualify for the award of the degree within 5 years of his/her first admission to the course.

**COMPARATIVE STATEMENT**

Semester-I	Existing Paper	Paper No.	Proposed Paper	Remarks
Paper-I	Basic Macro Economics	Paper-101	Micro Economics – 1	Paper shifted from Sem II and syllabus revised
Paper-II	Statistics for business	Paper-102	Business Statistics	Syllabus revised
Paper-III	Fundamentals of Business & Accounting	Paper-103	Fundamentals of Business & Accounting	Syllabus revised
Paper-IV	Business Communication	Paper-104	Business Communication	Syllabus revised
<b>Semester-II</b>	<b>Existing Paper</b>	<b>Paper No.</b>	<b>Proposed Paper</b>	<b>Remarks</b>
Paper-V	Basic Micro Economics	Paper-201	Micro Economics – 2	Paper shifted from sem IV and Syllabus revised
Paper-VI	Mathematics for Business	Paper-202	Mathematics for Business	Syllabus revised
Paper-VII	International trade	Paper-203	Legal Aspects of Business	Shifted form semester III and Syllabus revised
Paper-VIII	Marketing Management	Paper-204	Marketing Management	Syllabus revised
<b>Semester-III</b>	<b>Existing Paper</b>	<b>Paper No.</b>	<b>Proposed Paper</b>	<b>Remarks</b>
Paper-IX	Applied Macro Economics	Paper-301	Macro Economics – I	Paper shifted from sem I and Syllabus revised
Paper-X	Legal Aspects of business	Paper-302	Industrial Economics	Syllabus revised
Paper-XI	Industrial Economics	Paper-303	Business Finance	Shifted from optional group & revised
Paper-XII	Fundamentals of Computers	Paper-304	Quantitative Techniques for Management	Shifted from optional group & syllabus revised.
<b>Semester-IV</b>	<b>Existing Paper</b>	<b>Paper No.</b>	<b>Proposed Paper</b>	<b>Remarks</b>
Paper-XIII	Applied Micro economics	Paper-401	Macro Economics – II	Paper shifted from sem II and Syllabus revised
Paper-XIV	Management and Organizational Behaviour	Paper-402	Organisational Behaviour	Syllabus revised
Paper-XV	Applications of computers	Paper-403	Basic Econometrics	Shifted from optional group & syllabus revised.
Paper-XVI	Indian Financial system	Paper-404	Indian Financial System & Markets	Syllabus revised
<b>Semester-V</b>	<b>Existing Paper</b>	<b>Paper No.</b>	<b>Proposed Paper</b>	<b>Remarks</b>
Paper-XVII	Indian Economy	Paper-501	Indian Economy	Syllabus revised
Paper-XVIII	Economic policy and comparative development	Paper-502	Computational Techniques for Business	New paper introduced and Syllabus revised
Paper-XIX	Optional paper 1(A)	511 to 551	Elective Paper 1(A)	
Paper-XX	Optional paper 2(A)		Elective Paper 2(A)	
<b>Semester-VI</b>	<b>Existing Paper</b>	<b>Paper No.</b>	<b>Proposed Paper</b>	<b>Remarks</b>
Paper-XXI	Environment Economics	Paper-601	Environmental Economics	Syllabus revised
Paper-XXII	Business Strategy	Paper-602	Business Strategy & Ethics	Syllabus revised
Paper-XXIII	Optional paper 1(B)	611 to 651	Elective Paper 1(B)	
Paper-XXIV	Optional paper 2(B)		Elective Paper 2(B)	



Elective Papers				
Optional Groups	Existing Paper	Paper No.	Proposed Paper	Remarks
Group A	Financial management	Group F	Finance	
Paper-1	Corporate finance	Paper- 511 (F1)	International finance	Syllabus revised
Paper-2	International financial management	Paper- 611. (F2)	Investment management	New paper introduced
Group B	International Business Environment	Group M	Marketing	
Paper-1	International Business Environment	Paper-521 (M1)	Consumer Behaviour	Syllabus revised
Paper-2	International Business	Paper-621 (M2)	Brand & Advertisement Mgmt	New paper introduced
Group C	Entrepreneurship and Small Business	Group Q	Quantitative Techniques	
Paper-1	Entrepreneurship and Family Business	Paper- 531 (Q1)	Advanced Econometrics	New paper introduced
Paper-2	Small Business Management	Paper-631. (Q2)	Advanced Math Techniques	New paper introduced
Group D	Marketing	Group E	Economics	New Group introduced,
Paper-1	Consumer Behaviour and Sales Management	Paper- 541 (E1)	International Economics	Shifted from semester II
Paper-2	Market Research	Paper- 641 (E2)	Economic Growth & Policy	Shifted from semester V
Group E	Computer Applications	Group P	Project Mgmt & Entrepreneurshp	New Optional Group
Paper-1	Programming in 'C' Language	Paper 551 (P1)	Project & Risk Management	New paper introduced
Paper-2	Data Base : Concepts and Applications	Paper 651 (P2)	Entrepreneurship & Family Bus.	New paper introduced
Gr- F	Advanced Quantitative Techniques			
Paper - 1	Operation Research and Applications			
Paper - 2	Econometrics : Theory and Applications			
Gr- G	Management of Services			
Paper - 1	Financial Services			
Paper - 2	Non Financial Services			

PAPER – 101  
MICROECONOMICS - I

**UNIT 1 : BASIC CONCEPTS**

Positive and normative economics; constructing a model, scientific method; concepts of opportunity cost, rate of growth, elasticity, and of total, average and marginal functions.

**UNIT 2 : CONSUMER DEMAND**

Cardinal theory: derivation of demand in case of one or more goods; Ordinal theory: Budget sets and Preferences under different situations. Indifference curves and the rate and elasticity of substitution. Consumer equilibrium; effects of change in prices and income; Engels curve. Derivation of demand curve. Income and substitution effects effects: Hicks and Slutsky. Applications of indifference curves to other economic problems.

Market demand: elasticity, shifts and movement; inverse demand function.

Revenue and Expenditure, elasticity and marginal revenue; income elasticity of demand; consumer surplus.

Revealed preference theory: WARP, SARP and the derivation of demand curve.

**UNIT 3 : PRODUCTION**

Production functions: single variable – average and marginal product, variable proportions, stages of production. Two variables – isoquants, returns to scale and to a factor; factor prices; cost minimisation and output maximization; Elasticity of substitution. Expansion path and the cost function.

**UNIT 4 : COST**

Concept of economic cost; Short run and long run cost curves; increasing and decreasing cost industries; envelope curve; L-shaped cost curves; economies of scale.

Prices as parameters: Firm equilibrium and profit; short and long-run supply function; taxes and subsidies.

**UNIT 5 : MARKETS**

Perfect competition: Equilibrium of the market. Long run industry supply; producer and consumer surplus; effects of taxes and subsidies.

Suggested Readings

1. Varian, Hal R.: Intermediate Microeconomics (Sixth edition)
2. Bernheim, B. Douglas & Whinston, Michael D.: Microeconomics [TMH, 2009]
3. Pindyck, Robert S. & Rubinfeld, Daniel L.: Microeconomics Sixth Edition [PHI]
4. Browning, Edgar K. & Zupan,: Microeconomic Theory and Applications

PAPER – 102  
STATISTICS FOR BUSINESS ECONOMICS

**UNIT 1: INTRODUCTION**

Data types and scale. Sources. Sample and population. Sigma notation.

**UNIT 2: UNIIVARIATE ANALYSIS**

Measures of central tendency, absolute and relative measures of dispersion, moments, Sheppard's corrections for moments for grouped data. Measures of skewness and kurtosis. Applications.

**UNIT 3: MULTIVARIATE ANALYSIS**

Correlation: simple, multiple and partial; linear and non-linear. Causation and correlation. Use of raw and grouped data. Probable errors. Rank Correlation.

**Regression Analysis :** Principle of least squares and regression lines. Regression equations and estimation, derivation of normal equations. Sums of squares. Standard Error of Estimates. Regressions with time series data. Estimation of growth rate.

**UNIT 4: INDEX NUMBERS**

Laspyres, Paasche index numbers and their relation. Bowley, Marshall Edgeworth and Fisher indexes. Fixed and chain base index numbers. Tests of adequacy. Base shifting, splicing and deflating. Construction of real indexes: Consumer Price Index and BSE index.

**UNIT 5: PROBABILITY AND DISTRIBUTIONS**

Review of counting rules. Defining probability. Types of events. Joint and conditional probability. Addition and multiplication rules. Bayes' theorem. Probability distributions. Discrete and continuous random variables. Mass and density functions and cumulative probabilities. Joint probability distributions, marginal and conditional distributions. Mathematical expectation and variance.

**Theoretical distributions:** discrete: uniform, bernoulli, binomial and poisson; continuous: uniform, exponential and Normal.

**Sample and Surveys:** Sample and complete enumeration. Methods of sample selection: random, stratified, multistage cluster. Sample measures and the degrees of freedom.

**Suggested Readings**

1. Karmel, P.H. & Polasek, M.: Applied statistics for economists
2. Spiegel, M.R.: Theory & Problems of Statistics, Schaum's outline series, McGraw Hill Pub. Co.
3. Spiegel, M.R.: Probability and Statistics
4. Freund: Mathematical Statistics

**Objective:**

The course aims to provide basic concepts and knowledge of a business enterprise and with the basic accounting principles and techniques of preparing and presenting the accounts for user of accounting information.

**UNIT 1 : INTRODUCTION TO BUSINESS**

Concept, Nature and Scope of Business Enterprise; Concept of Business as a System; Business and Environment Interface; Entrepreneurial opportunities in contemporary business environment or emerging trends in business: Networking marketing, Franchising, Business Process Outsourcing, knowledge Process Outsourcing, E-commerce and M-Commerce.

Opportunity and Idea Generation – role of Creativity and Innovation. Feasibility study and preparation of Business Plan Basic considerations in setting up a Business Enterprise. Process of setting up a Business Enterprise.

**UNIT 2 : INTRODUCTION TO FINANCIAL ACCOUNTING**

Concept of Financial Accounting. Types of Accounting: Financial, Cost and Management Accounting. Accounting as an Information System. The users of Financial Accounting Information and their needs. Qualitative Characteristics of Accounting Information. Functions, Advantages and Limitations of Financial Accounting.

Basis of Accounting; Cash basis and Accrual basis. The nature of Financial Accounting Principles – Basic Concepts and Conventions: Entity, Money Measurement, Going Concern, Cost, Realisation, Accruals, Periodicity, Consistency, Prudence (Conservatism), Materiality and Full Disclosures.

Financial Accounting Standards: concept, benefits, procedure for issuing Accounting Standards in India. Salient features of Accounting Standard (AS): 1 (ICAI)

**Accounting Process**

From recording of Business Transactions to preparation of Trial Balance, an overview.

**UNIT 3 :****(i) Final Accounts With Adjustments**

Meaning and features. Preparation of Trading and Profit and Loss account, Balance Sheet.

**(ii) Depreciation Accounting**

Meaning of Depreciation, causes, objects of providing Depreciation, factors affecting Depreciation, accounting treatment including provision for Depreciation Accounting. Methods of depreciation: Straight Line Method, Diminishing Balance Method, Change of Method as per revised AS-6.

**(iii) Valuation Of Inventories**

Meaning. Significance of Inventory Valuation. Inventory Record Systems: Periodic and Perpetual. Methods: FIFO, LIFO and Weighted Average. Salient features of Accounting Standard (AS): 2 (ICAI)

**(iv) Fixed Assets Valuation:** Salient features of Accounting Standard AS-9.

#### UNIT 4 :

##### (i) Introduction To Corporate Accounts

Cash Flow Statement: Concepts of funds. Preparation of Cash Flow Statement as per Accounting Standard (AS): 3 (Revised) (ICAI): Indirect method only.

Corporate Financial Statements: Schedule VI FORMAT as prescribed in Companies Act, 1956.

##### (ii) Financial Analysis

Financial Statements and their Limitations, Concepts of Financial Analysis, Tools of Financial Analysis: Comparative Financial Statements, Common Size Financial Statements, Trend Percentages, Ratio Analysis, Cash Flow Analysis

#### UNIT 5: INTRODUCTION TO COST CONCEPTS FOR DECISION MAKING

Concept of Cost. Types of Cost. Relevance of Cost in Decision Making.

#### Suggested Readings:

1. Anthony, R.N., and J.S. Reece, *"Accounting Principles"*, Richard D. Irwin, Inc.
2. Monga, J.R., *"Financial Accounting: Concepts and Applications"*, Mayoor Paper Backs, New Delhi.
3. Shukla, M.C., T.S. Grewal and S.C.Gupta, *"Advanced Accounts"*, Vol-I, S.Chand & Co., New Delhi.
4. Gupta, R.L. and M. Radhaswamy, *"Advanced Accountancy"*, Vol-I, Sultan Chand & Sons, New Delhi.
5. Maheshwari, S.N. and. S. K. Maheshwari, *"Financial Accounting"*, Vikas Publishing House, New Delhi.
6. Tulsian, P.C., *"Advanced Accounting"*, Tata Mc Graw Hill, New Delhi.
7. *"Compendium of Statements and Standards of Accounting"*, The Institute of Chartered Accountants of India, New Delhi.

PAPER – 104  
BUSINESS COMMUNICATION

**Objectives:** Effective Communication is essential for holistic development of the students of Business Economics. The objective of the paper is to develop communication skills in speaking and writing essential for all areas of management.

### UNIT 1 : INTRODUCTION TO BUSINESS COMMUNICATION

Basic form of Communication – Downward, upward and Horizontal communication, Process of communication.

Corporate Communication – Formal and informal communication network, Grapevine – single strand, gossip, cluster, Probability, Importance of Grapevine, Miscommunication or Barrier to communication – Wrong choice of medium, Physics barriers, Semantic barriers, different Comprehension of reality, Socio psychological barriers.

Principles of Communication - 7c's concept

### UNIT 2 : WRITING SKILLS

Planning business messages, Business letters, Memo formats, Request letters, Good news letters, Bad news letters, Persuasive letters – AIDA, Sales letters, collection letters

Detailed Project Report Writing and presentation

### UNIT 3: ORAL PRESENTATION

Principles of oral presentations, Factors effecting presentations

Non – Verbal communication – Appearance, Body language, Para language, Time, Space, Silence.

Effective Listening – factors affecting listening, Improving listening

### UNIT 4: CORPORATE COMMUNICATION

Interviewing Skills – Interviewer's preparation, Interviewee's preparation, Types of interview

Communication for Employment – Resume: Formulating Career Plans, Planning your Resume, Structuring the Resume, Content of the Resume, Electronic Resumes

### UNIT 5: INTERNATIONAL COMMUNICATION

Cultural sensitiveness, Cultural context

**Negotiation Skills** – Process, Strategies, Issue in Negotiation – Collective bargaining, Process & Essentials of effective BC.

### Suggested Readings:

1. Ronald E. Duleck, John S. Fielden: Principles of Business Communication
2. Murphy and Hiderbrandt : Business Communication
3. Bovee Thill: Business Communication Today, Mc Graw Hill
4. Malra Treece, Allyn and Bacon : Successful Communication

5. Randall E. Majors Harper & Rom : Business communication
6. Harpert & Row Western : Guide to effective letter writing
7. Mary Ellen Guffoy : Business Communication
8. Fred Luthan : Organizational Behavior(For Negotiation Skill)
9. C.B Mmoria : Industrial Relation (For the topic of collective bargaining)

PAPER – 201  
MICROECONOMICS – II

**UNIT 1 : MARKETS WITH IMPERFECT COMPETITION**

Monopoly: Equilibrium; supply; multiplant firm; monopoly power; deadweight loss; price discrimination; bundling; two-part tariffs.

Monopolistic Competition: Product differentiation; equilibrium of the firm in the industry-with entry of new firms and with price competition. Comparison with pure competition.

Oligopoly and Game Theory: Cournot model and reaction curves; Bertrand model; quantity leadership; price leadership; Non collusive stable equilibrium; simultaneous quantity setting; collusion; cartels; Concepts of Game Theory: Dominant strategies and Nash Equilibrium; Mixed strategies; Prisoner's Dilemma. Specification of oligopoly models in game theoretic terms.

**UNIT 2 : FACTOR MARKETS**

Factor pricing in the case of single and many variable factors; demand for labor in a product market with perfect competition and monopoly. Monopsony, bilateral monopoly and role of labour unions. Economic rent and quasi rent.

**UNIT 3 : GENERAL EQUILIBRIUM**

Edgeworth box; 2 good, 2 factor, 2 consumer analysis and Pareto optimality conditions; market trade; Walras Law; Relative prices; Equilibrium and efficiency; Grand Utility possibility frontier. Implication of first and second welfare theorem;

**UNIT 4 : WELFARE**

Social welfare function; welfare maximisation; Fair allocation; Envy and equity. Arrow's Impossibility Theorem.

**UNIT 5 : MARKET FAILURE**

Asymmetric information and signaling. Joint production and consumption and externalities. Common property resources and public goods.

**Suggested Readings**

1. Varian, Hal R.: Intermediate Microeconomics (Sixth edition)
2. Bernheim, B. Douglas & Whinston, Michael D.: Microeconomics [TMH, 2009]
3. Pindyck, Robert S. & Rubinfeld, Daniel L.: Microeconomics Sixth Edition [PHI]
4. Browning, Edgar K. & Zupan.: Microeconomic Theory and Applications



**UNIT 1 : BASIC CONCEPTS**

Number system, Logic, Equations and Inequalities, Concept and methods of proof. Set theory; types of relations in economics; functions, types, monotonicity and invertibility, domain and range.

**UNIT 2 : FUNCTIONS**

Sequences: convergent, divergent and oscillatory. Limit of a convergent sequence. Series and their convergence.

**Real valued functions:** Linear, polynomial, hyperbolic, logarithmic, power and their applications. Roots of polynomials. Limit of a real valued function. Continuity and differentiability.

**UNIT 3 : SINGLE VARIABLE DIFFERENTIATION**

Polynomial, logarithmic and power functions and their applications. Rates of change and the tangent. Applications of continuity and differentiability: Intermediate value, extreme value and mean value theorems. Taylor's and McLaurin's series and expansions. Stationarity, convexity and concavity of functions. Global and local extrema and points of inflexion. Applications to Economics.

**UNIT 4 : LINEAR ALGEBRA**

Vector space: operations of addition and scalar multiplication and their geometric representation; linear combinations, linear span and basis. Scalar Product and orthogonality. Matrices: operations of addition, multiplication, transpose. Row/column operations. Matrix types: symmetric, orthogonal, idempotent. Determinants and inverse. Linear independence, Rank and solutions to linear simultaneous equations. Applications.

**UNIT 5 : FUNCTIONS OF TWO VARIABLES**

Geometric representation. Level curves. Partial derivatives. Young's theorem. Homogenous and homothetic and CES functions. Euler's theorem. Generalised chain rule and implicitly defined functions. Differentials. Convex sets. Concavity and convexity. Local maxima and minima. Optimisation of functions with a single equality constraint.

**Suggested Readings:**

1. Sydsaeter, Knut & Hammond, Peter J.: Mathematics for Economic Analysis [Pearsons Education]
2. Chiang, A.C.: Fundamental Methods of Mathematical Economics [TMH]
3. Allen, R.G.D.: Mathematical Analysis for Economics [Macmillan]

PAPER – 203  
LEGAL ASPECTS OF BUSINESS

**Objective:**

The objective of the course is to impart basic knowledge of the important business laws along with relevant case law.

**UNIT 1 : INDIAN CONTRACT ACT, 1872**

Contract – meaning, essentials and kinds. Offer, Acceptance, Consideration, Contractual Capacity, Free consent. Modes of discharge of a contract and remedies for breach of a contract.

**UNIT 2: NEGOTIABLE INSTRUMENTS ACT, 1881**

Meaning and characteristics of Promissory Note, Bill of Exchange and Cheque. Holder and Holder in Due Course, Negotiation, Crossing of Cheque – Kinds and effects.

**UNIT 3: COMPANIES ACT, 1956**

Company - meaning, kinds, procedure of formation. Memorandum of association, Articles of Association & Prospectus. Allotment of shares. Shareholders and Members. Company Meetings and Resolutions

**UNIT 4 : CONSUMER PROTECTION ACT, 1986**

Structure of the Act, jurisdiction and definitions. Consumer complaint – meaning, relief available to a consumer.

**UNIT 5 : INFORMATION TECHNOLOGY ACT, 2000**

Scheme of the Act, definitions. Digital Signature and Electronic Governance. Regulation of Certifying Authorities

**Note:** The leading cases should be discussed at relevant places.

**Suggested Readings:**

1. Kuchhal, M.C.& Prakash, Deepa , *"Business Legislation for Management"*, Vikas Publishing, House (P) Ltd., New Delhi.
2. Chadha, P. R.and Bagrial, Ashok k., *"Business Law"* Galgotia Publishing Company, New Delhi.
3. Singh, Avtar, *"The Principles of Mercantile Law"*, Eastern Book Company, Lucknow.
4. Maheshwari & Maheshwari, *"Business Law"*, National Publishing House, New Delhi.
6. Kapoor, N. D., *"Business Law"*, Sultan Chand & Sons, New Delhi.
7. Desai, T.R., *"Indian Contract Act, Sale of Goods Act and Partnership Act"*, S.C. Sarkar & Sons Pvt. Ltd., Calcutta.
8. Bagrial, A. k, *"Company Law"*, Vikas Publishing, House (P) Ltd., New Delhi.

9. Datey, V.S., "*Students Guide to Corporate Laws*", Taxman's Allied Services (P) Ltd., New Delhi.
10. Singh, Avtar., "*Company Law*", Eastern Book Company Lucknow.
11. Kapoor, G.K., "*Corporate Laws & Secretarial Practice*", Premier Book Company, New Delhi.
12. Chadha, Reena, Chadha, Sumant, "*Corporate Laws*", Mayur Paperbacks, New Delhi.
13. Consumer Protection Act, 1986.
14. "*Information Technology Rules 2000 & Cyber Regulations Appellate Tribunal Rules 2000 with Information Technology Act 2000*" Taxmann Publications Pvt. Ltd., New Delhi.
15. Painttal, D., "*Law of Information Technology*" Taxmann Publications Pvt. Ltd., New Delhi.

## MARKETING MANAGEMENT

**Objective:**

An introductory study of the various principles and functions of marketing keeping the Indian backdrop wherever possible.

**UNIT I: UNDERSTANDING THE BASICS**

**Introduction :** Definition of market, marketing and marketing management, Marketing functions, Objectives of marketing management, Company's orientation towards marketing

**Marketing Environment :** Nature of marketing environment, Environmental analysis and scanning, and its Importance, Types of marketing environment: Economic, Demographic, Socio- cultural, technological, political and legal (facts on Indian environment must be incorporated)

**Indian Marketing Environment :** Factors determining competitive forces (Michael Porter's model), Sea change in the Indian marketing environment consequent to liberalization, Marketing challenges of the liberalized economy.

**UNIT 2 : NATURE OF MARKETING**

**Market Segmentations and Market targeting:** Levels and Patterns of market segmentations, Market segmentation procedure, Bases for segmenting consumer markets. Evaluating and selecting the market segments.

**Marketing mix\_:** Concept of integrated approach to manage marketing mix rather than managing each 'P' separately.

**UNIT 3 : PRODUCT AND PRICING DECISION**

**Product life cycle:** the concept and its strategic implications, Product mix: levels, hierarchy, classifications, mix.

**Product line decisions:** product line analysis, product line length, line modernization, featuring, pruning.

**Positioning:** Developing and communicating a positioning strategy, which positioning to promote, communicating a company's positioning.

**Differentiation:** differentiation tools. Product, services, personnel, channel, image differentiation.

**Branding:** brand decisions. What is brand, building brand identity, building brands in the new economy, brand equity, branding challenges, brand name decisions, brand building tools, brand strategy decision, brand asset management, brand auditing and repositioning.

**Pricing:** significance of pricing, factors influencing pricing, pricing objectives, pricing strategies and procedure.

## UNIT 4 : PROMOTION AND DISTRIBUTION

Communication Process, Steps to achieve effective communication, The concept of Integrated Marketing Communication

Advertising: setting the advertising objectives, deciding on the advertising budget, choosing the advertising message, deciding on media and measuring effectiveness.

Sales promotion: its purpose, major decisions in sales promotion.

Personal selling: principles of personal selling. Professionalism, negotiation

Public relations and publicity: marketing public relations, major decisions in marketing PR. Concept of direct marketing: growth, benefits, integrated direct marketing, major channels, catalog marketing,

Channels: Channel functions and flows, channel levels, service sector channel, information highway channels, Channel dynamics: vertical marketing system, horizontal marketing system, multichannel marketing system, conflict, cooperation, competition, legal and ethical issues in channel relations.

Retailing and wholesaling: types of retailers, marketing decisions, trends in retailing, wholesaling: growth and types, marketing decisions, trends.

Market logistics: objectives, decisions, organizational lessons, store management,

## UNIT 5 : CONTEMPORARY ISSUES

Ethics in Marketing

Newer concepts like Relationship marketing, Holistic marketing, Green marketing, services marketing, political marketing etc.

Telemarketing and M-commerce, e-marketing, Rural marketing, Trends in Retailing

**Note: case study and case lets must be included.**

### Suggested Readings:

1. Marketing Management, Phillip Kotler.
2. Marketing Management, Ramaswamy and Ramakumari
3. Business and Marketing Magazines

PAPER – 301  
MACROECONOMICS - I

**Objective:**

Macroeconomics is the study of the aggregate performance of the economy. It includes national income, gross domestic product, rate of growth of the economy, unemployment levels, inflation and price levels, etc. The present syllabus intends to provide an understanding of the economy for students at the undergraduate level. The syllabus has been divided into two parts, as Macroeconomics I & II, to be covered in the first and second semesters respectively.

**UNIT 1. AN INTRODUCTION TO BASIC MACROECONOMICS CONCEPTS**

D'Souza (2008) : Chapter 1  
Economic Survey (Latest)

**UNIT 2. IS-LM MODEL**

Blanchard (2006) : Chapters 3, 4 & 5  
D'Souza (2008) : Chapter 8 (pages 255-256)

**UNIT 3. AGGREGATE SUPPLY AND AGGREGATE DEMAND MODEL**

Blanchard (2006) : Chapters 6 & 7

**UNIT 4. INFLATION, UNEMPLOYMENT AND THE PHILLIPS CURVE**

Blanchard (2006) : Chapters 8 & 9  
Economic Survey-Latest

**UNIT 5: a) Economics of Great Events-Depression, Hyperinflation and Deficits  
b) Advances in Business Cycle Theory**

1. Dornbusch, Fischer and Startz (2004) : Chapter 18
2. Mankiw (2005): Chapter 20

**Suggested Readings**

3. D'Souza, E. (2008): "Macroeconomics", Pearson Education: New Delhi.
4. Blanchard, O. (2006) : "Macroeconomics" (IV<sup>th</sup> Edition), Pearson Education: New Delhi.
5. N. Gregory Mankiw (2005)-V<sup>th</sup> Edition, Macroeconomics, Worth Publishers
6. Dornbusch Rudiger, Fischer Stanley and Startz Richard (2004)- IX<sup>th</sup> Edition, International Economics, McGraw-Hill
7. Government of India (GOI) (Latest Year) : "Economic Survey", Ministry of Finance : New Delhi

PAPER – 302  
INDUSTRIAL ECONOMICS

**UNIT 1 : STRUCTURE - CONDUCT - PERFORMANCE PARADIGM**

The Simple SCP model/framework with and without feedbacks, its critique and modified framework with feedback.

**UNIT 2 : MARKET CONCENTRATION**

Definition of the market, nature and measurement of market concentration, indices of concentration, inequality measures. Theories of measurement: deterministic and stochastic approach.

**UNIT 3 : BARRIERS TO ENTRY**

Concepts to Barriers to Entry by Bains, Stigler. Sources to Barriers to Entry, Limit Pricing Theory, Strategic Entry deterrence, Contestable markets.

**UNIT 4 : VERTICAL INTEGRATION CONGLOMERATE DIVERSIFICATION & MERGERS**

**Conglomerate Diversification** : Concepts, measures, determinants and consequences of diversification, Mergers, FDI

**Vertical Integration** : Nature and extent of vertical integration, theories of vertical integration, monopolistic motives for integration

**UNIT 5 : TECHNICAL PROGRESS & PERFORMANCE**

Economics of Research, Market structure and incentive to invent, Concepts by Arrow, Demsetz, Schumpeter.

Concepts of Profit margins , Productivity and Technical efficiency

**Main Reading**

1. Industrial Economics by Roger Clarke

**Supplementary Readings**

- 1 Stephen Martin, Industrial Economics.
- 2 Fergusen and Fergusen. Industrial Economics.
- 3 Giles Burgess, Industrial Organisation.
- 4 Stephen Martin, Advanced Industrial Economics.

PAPER – 303  
BUSINESS FINANCE

**Objective:** The course aims to provide basic concepts and knowledge with regard to a business finance and its decisions.

**UNIT I: INTRODUCTION**

Nature, scope and objectives of financial management. Time value of money and mathematics of Finance. Concept of Risk and return.

**UNIT 2: INVESTMENT DECISION**

Capital budgeting process: Estimation of Relevant cash flows, Non-discounted and discounted cash flow techniques – Pay back, ARR, NPV, IRR and Profitability index.

**UNIT 3: COST OF CAPITAL AND FINANCING DECISION**

Cost of Capital and Financing Decision: Estimation of components of cost of capital; Equity capital and external & internal retained earnings, Debt and Preference Capital, Weighted average cost of capital (WACC) and marginal cost of capital.

Capital structure theories - NI, NOI, traditional approach and MM approach. Factors determining capital structure.

**UNIT 4: DIVIDEND DECISION**

Relationship between dividend and corporate valuation - Walter model, Gordon Model and MM hypothesis. Determinants of dividend policy.

**UNIT 5 :**

**(i) Sources of Finance**

Short term sources: advances from commercial banks, public deposits, advances from customers and trade creditors. Long term sources: shares, debentures and long term loans etc.

**(ii) Lease Financing**

concept of leasing. Types of lease agreements. Difference between hire purchase and lease financing. Advantages and disadvantages of leasing. Lease evaluation

**(iii) Mergers and Acquisitions**

Reasons for mergers and acquisitions. Types of mergers. Financial considerations in mergers and acquisitions. Financial evaluation of mergers and acquisitions. Benefits and costs of mergers.

**Suggested Readings:**

- J.C. Van Horne, Financial Management and Policy, Prentice Hall of India.
- H. Levy and M. Sarnat, Principles of Financial Management, Engelwood Cliffs, Prentice Hall.
- M. Y Khan. and P. K Jain., Financial Management, Text and Problems, Tata McGraw Hill New Delhi.
- R. S. Kulshrestha, Financial Management, Sahitya Bhawan, Publishers and Distributors.



- R. P. Rastogi, Fundamentals of Financial Management, Galgotia Publications, New Delhi.
- I. M. Pandey, Financial Management, Vikas Publishing House (P) Ltd.
- V.K. Bhalla, Financial Management & Policy, Anmol Publications, Delhi
- Prasanna Chandra, Financial Management-Theory and Practice, Tata McGraw Hill.
- V. Sharan, Fundamentals of Financial Management, Pearson Education, India.
- J. K Singh, Financial Management – Text and Problems, Dhanpat Rai and Company, Delhi.
- Dr. S.N. Maheshwari, Financial Management, principles and practice, Sultan Chand and Sons, New Delhi.
- R.P. Rustagi, Financial Management, theory, concepts and problems, Galgotia publishing company, New Delhi.

PAPER – 304  
BASIC ECONOMETRICS

**UNIT 1 : SAMPLING AND HYPOTHESIS TESTING**

Statistics and parameters. Properties for a statistic. Central Limit Theorem. Distribution of the sample mean, difference in means and the proportion. Point and interval estimates for the mean, difference in means, and proportion. Hypotheses testing and types of errors. Significance levels and p values. Small sample testing: Chi square, t and F distributions and their properties. Applications of chi square and t distributions to interval estimates and tests.

**UNIT 2 : CLASSICAL TWO VARIABLE LINEAR REGRESSION MODEL**

Types of Data : Time Series, Cross Section and Panel Data. Concept of PRF and SRF. Estimation of the SRF using OLS. Analysis of variance and R squared. Understanding the residuals/error term. Assumptions of the model. Expectation and standard errors of the regression coefficients and the error term. Gauss Markov Theorem. Confidence intervals and tests on population regression coefficients, variance of population disturbance term, and forecasts. Testing the significance of the model as a whole. Testing the normality assumption.

**UNIT 3 : MULTIPLE REGRESSION MODEL**

The three variable case. Derivation of the coefficients. Correlation. Additional assumptions. Adjusted R square. Confidence intervals and testing of the regression coefficients. F and t tests for structural stability, contribution and justification of an explanatory variable.

**UNIT 4 : OTHER FUNCTIONAL FORMS**

Regressions in deviation form and through the origin. The log-log, log-lin, lin-log, reciprocal, log-reciprocal models with application.

**UNIT 5 : DUMMY VARIABLES**

Intercept, Slope Dummy variables. Interaction between qualitative variables. Interaction between quantitative and qualitative variables. Dummies for testing for the presences of Seasonal Trends.

**Main Readings**

1. Christopher Dougherty, *Introductory Econometrics* 3<sup>rd</sup> Edition Oxford University Press (2007)
2. Gujarati, Damodar : *Basic Econometrics*, 3<sup>rd</sup> edition Mc.Graw Hill, New Delhi (1995)
3. Ramanathan, Ramu : *Introductory Econometrics With Applications*. Thomson South Western (2002)

**Supplementary Readings**

1. Pindyck, Robert S. and Daniel L. Rubinfeld. *"Econometric Models and Economic Forecasts."*. McGrawHill, 3<sup>rd</sup> Edition, Singapore (1997).
2. Wonnacott, R.J. and Wannacott, T.H: *Econometrics*, John Wiley. France

PAPER – 401  
MACROECONOMICS - II

**UNIT 1. THEORIES OF CONSUMPTION AND INVESTMENT**

- a) Consumption Functions
- b) Fisher's Inter-temporal Choice Model
- c) Life-Cycle and Permanent Income Hypotheses
- d) Business Fixed, Residential and Inventory Investments

Mankiw (2005) : Chapters 16 and 17\*\*

**UNIT 2. OPEN ECONOMY I – THE CONCEPTS**

- (a) Balance of Payments
- (b) Trade Balance and Exchange Rates

D'Souza (2008): Chapters 2 and 5

**UNIT 3. OPEN ECONOMY II – THE MUNDELL-FLEMING MODEL**

N. Gregory Mankiw (2005): Chapter 12

**UNIT 4 . ECONOMIC GROWTH**

- (a) Sources of Growth, Potential and Feasible Output
- (b) The Determinants of Long-Run Growth and Solow - A Geometric Presentation
- (c) The Golden Rule, Convergence and Poverty Traps
- (d) Endogenous Growth

D'Souza (2008): Chapter 16

**UNIT 5. MONETARY AND FISCAL POLICY**

- a) Inflation Targeting
- b) The Design of Monetary Policy
- c) The Government Budget Constraint
- d) Issues in Fiscal Policy

Blanchard (2006) : Chapters 25 and 26

**Suggested Readings**

1. D'Souza, E. (2008): "Macroeconomics", Pearson Education: New Delhi.
2. Blanchard, O. (2006) : "Macroeconomics" (IV<sup>th</sup> Edition), Pearson Education : New Delhi.
3. N. Gregory Mankiw (2005)-V<sup>th</sup> Edition, Macroeconomics, Worth Publishers

PAPER – 402  
ORGANISATIONAL BEHAVIOUR

**Objective:**

To provide students with an understanding of the principles of human behaviour in organisations with relevance to the Indian business context.

**UNIT 1. INTRODUCTION**

Concept of OB; Management roles, skills and activities; Disciplines that contribute to OB; Opportunities for OB (Globalization, Indian workforce diversity, customer service, innovation and change, networked organizations, work-life balance, people skills, positive work environment, ethics)

**UNIT 2. INDIVIDUAL BEHAVIOUR****(i) Learning, attitude and job satisfaction**

Concept of learning, conditioning, shaping and reinforcement.

Concept of attitude, components, behaviour and attitude.

Job satisfaction: causation; impact of satisfied employees on workplace.

Comparison of job satisfaction amongst Indian employees with other cultures.

**(ii) Motivation**

Concept; Theories (Hierarchy of needs, X and Y, Two factor, McClelland, Goal setting, Self-efficacy, Equity theory); Job characteristics model; Redesigning job and work arrangements; Employee involvement; Flexible benefits, Intrinsic rewards

**(iii) Personality and Values**

Concept of personality; MBTI; Big Five model.

Relevance of values; Indian values;

Linking personality and values to the workplace (person-job fit, person-organization fit)

**(iv) Perception, Decision Making and Emotions**

Perception and judgements; Factors; Linking perception to individual decision making; Decision making in organizations, Ethics in decision making.

Emotional labour; Emotional Intelligence;

**UNIT 3. GROUP BEHAVIOUR**

**(i) Groups and Work Teams:** Concept; Five stage model of group development; Group think and shift; Indian perspective on group norms.

Groups and teams; Types of teams; Creating team players from individuals; Team building and team based work (TBW).

**(ii) Leadership**

Concept; Trait theories; Behavioral theories (Ohio and Michigan studies); Contingency theories (Fiedler, Hersey and Blanchard, Path-Goal); Authentic leadership; Mentoring, self-leadership, online leadership; Inspirational Approaches (transformational, charismatic); Comparison of Indian leadership styles with other countries.

Exercises, games and role plays may be conducted to develop team and leadership skills.

#### UNIT 4. ORGANISATIONAL CULTURE AND STRUCTURE

Concept of culture; Impact (functions and liability); Creating and sustaining culture; Employees and culture; Creating positive and ethical cultures.  
Concept of structure; Prevalent organizational designs; New design options.

#### UNIT 5. ORGANISATIONAL CHANGE, CONFLICT AND POWER

Forces of change; Planned change; Resistance; Approaches (Lewin's model, Organisational development); Learning organization; Organisational change in Indian businesses.  
Concept of conflict; Traditional view and interactionists view of conflict; Conflict process; Functional/Dysfunctional. Introduction to power and politics

#### Main Reading :

1. Organisational Behaviour by Stephen P. Robbins, Timothy A. Judge and Seema Sanghi, 13<sup>th</sup> Ed, Pearson Education ltd.

#### Supplementary Reading :

1. Luthans Fred., "Organizational Behaviour", McGraw Hill.
2. Hellriegel, Slocum and Woodman, Organisational Behavior, South-Western, Thomson Learning, 9th edition, 2001.
3. Behavior In Organizations, Jerald Greenberg, 8<sup>th</sup> ed, Pearson Education.
4. Arnold, John, Robertson, Ivan t. and Cooper, Cary, l., "Work psychology: understanding human behaviour in the workplace", Macmillan India Ltd., Delhi.
5. Dwivedi, R. S., "Human relations and organizational behaviour: a global perspective", Macmillan India Ltd., Delhi.

**UNIT 1 : INTRODUCTION TO OPERATIONS RESEARCH, LINEAR PROGRAMMING****(i) Introduction**

Meaning, Scope, Techniques, Relevance and Limitations of operational research, Meaning of a model, steps in building of a model.

**(ii) Linear Programming**

Linear Introduction, terminology and applications, Mathematical formulation of a linear programming problem, Graphical solution, Algebraic method (Simplex method) – Maximisation and minimization cases ( single and mixed constraints), Duality : Concept and Interpretation

**UNIT 2 : TRANSPORTATION & ASSIGNMENT****(i) Transportation**

Introduction, Matrix Formulation and balance check of a transportation problem, Initial basic feasible solution ( only LCM & VAM methods), Test of optimality and optimal solution, Stepping Stone and MODI methods)

Note : Exclude special cases i.e. multiple optimum solution, maximization, degeneracy and prohibited routes.

**(ii) Assignment**

Introduction, Balanced and unbalanced assignment problem, Solution using Hungarian assignment method.

**UNIT 3 : DYNAMIC PROGRAMMING**

Meaning, applications, Construction and problem solving in stages (including deterministic and but excluding probabilistic programming)

**UNIT 4 : THEORY OF GAMES, DECISION THEORY AND DECISION ANALYSIS****(i) Theory of Games**

Introduction and basic terminology, Pure strategy games ( including identification of saddle point and value of the game), Principle of dominance, Mixed strategy games (only arithmetic method for 2 x 2 games)

**(ii) Decision theory and Decision Analysis**

Steps in Decision theory, Concepts of Expected Monetary Value, Expected Value of Perfect Information and Expected Opportunity loss, Introduction to risk and uncertainty, Decisions under Uncertainty using Laplace, maximin, Minimax, maximax, minimin, hurwicz and Savage Methods

**UNIT 5 : CPM/PERT ANALYSIS, SIMULATION, SIMPLE INVENTORY MODELS****(i) CPM / PERT Analysis**

Meaning, objectives and applications, Fundamental concepts – event, activity, path, dummy activity, fulkerson's rule, Network construction, Time estimates in network analysis –earliest finish, latest finish, critical path, Float (Independent , free and total float), Programming Evaluation review technique (PERT) – three time estimates, Standard deviation and probability of project completion within a scheduled time, Direct

and indirect cost, Time-cost tradeoff – Crashing of activities ( method, network construction, identification of crash time, new critical path and activities to be crashed).

**(ii) Simulation**

Introduction and applications, Problem Solving using Monte Carlo method and Random numbers.

**(iii) Simple Inventory Models**

Finite and Infinite Replenishment, Simple EOQ.

**Main Readings**

1. Kapoor V.K. *Operations Research* : Sultan Chand & Sons, Latest Edition
2. Vohra N.D. *Quantitative techniques in management* 3<sup>rd</sup> Ed , Mc. Graw Hill Co.

**Suggested Readings :**

1. Swarup Kanti, Gupta, P.K. & Manmohan, *Operations Research* 12<sup>th</sup> Edition Sultan Chand and Sons.
2. Taha , H.A *Operations Research : An Introduction* , 7<sup>th</sup> Edition. Pearson Education

PAPER – 404  
INDIAN FINANCIAL SYSTEM

**UNIT 1 : FINANCIAL MARKETS IN INDIA**

Role and Importance of Financial Markets, Financial Markets vs. Capital Markets vs. Stock Markets, Linkages Between Economy and Financial Markets, Integration of Indian Financial Markets with World Markets, Players in Financial Markets, Role of Regulator (RBI and SEBI)

**UNIT 2 : PRIMARY MARKET FOR CORPORATE SECURITIES IN INDIA****(i) Issue of Corporate Securities**

Public Issue through Prospectus, Green shoe option, Offer for sale, Private Placement Rights Issue, OnLine IPO : Dutch and French Auction , Book Building of Shares, Disinvestment of PSU, Employees Stock Options, Preferential Issue of Shares, Venture Capital, Private Equity, Performance of Primary Market in India, Institutional Interest in Public Issues, measuring success of an IPO.

**(ii) Corporate Listings**

Listing and Delisting of Corporate Stocks

**UNIT 3 : SECONDARY MARKET IN INDIA****(i) Introduction to Stock Markets**

Regional and Modern Stock Exchanges, International Stock Exchanges, Demutualization of exchanges, Competition amongst major exchanges in India, Raising of funds in International Markets : ADRs and GDRs, FCCB and Euro Issues

Indian Stock Indices and their construction, free float vs. full float methodology, Classification of Securities to be included in the Index, impact of corporate actions (rights, bonus and stock split) on index

Bulls and Bears in Stock Markets, Factors influencing the movement of stock markets. indicators of maturity of stock markets, Major Instruments traded in stock markets: Equity Shares, Debentures, Myths attached to Investing in Stock Markets.

**(ii) Trading of securities on a stock exchange**

Selection of broker, capital and margin requirements of a broker, MTM and VaR Margins ,kinds of brokers, opening of an account to trade in securities, DEMAT System, placing an order for purchase/sale of shares, margin trading and margin adjustment , contract note, and settlement of contracts , rolling and traditional (weekly) settlement systems.

**UNIT 4 : MONEY MARKETS & DEBT MARKET IN INDIA****(i) Money Market**

Meaning , role and participants in money markets, Segments of money markets, Call Money Markets, Repos and reverse Repo concepts, Treasury Bill Markets, Market for Commercial Paper, Commercial Bills and Certificate of Deposit. Role of STCI and DFHI in money markets

**(ii) Debt Market**

Introduction and meaning, Market for Government/Debt Securities in India, When issued market, Secondary market for government/debt securities, Oversubscription and devolvement of Government Securities, Fiscal Responsibility Act, Switch deals,



Government securities issued by State Governments, Municipal Bonds, Corporate Bonds vs. Government Bonds

## UNIT 5 : BANKING AND HOUSING FINANCE IN INDIA

### (i) RBI

Functions, Role and Monetary Policy Measures( CRR,SLR, OMO)

### (ii) Recent Developments in Banking Sector in India

Commercial and Development Banks: Meaning , their roles (Traditional and New /Changing roles), Challenges Ahead, Conversion of Financial Institutions into banks, Mergers and Acquisitions in the banking sector in India , Concept of Universal Banking, Non Performing Assets in the Banking Sector, the Securitization Act, Prime and Sub Prime Lending Rate.

### (iii) Housing Finance

Meaning and rise of housing finance in India, Fixing the amount of loan, repricing of a loan, floating vs. fixed rate, the rest method, problems on housing finance.

### Suggested Readings :

- (i) National Stock Exchange of India '*Indian Securities Market: A Review*' 6<sup>th</sup> Edition NSE, Mumbai (2003).
- (ii) Rustagi , R.P, *Financial Management : Theory Concepts and Problems* : 3<sup>rd</sup> Edition Galgotia Publishing Co. (2006)
- (iii) S.G. Eakins, S.G. '*Finance: Investments, Institutions and Management*', Addison Wesley Longman Inc, USA. (1999)
- (iv) Shahani, Rakesh '*Financial Markets in India*' Latest Edition, Anamica Pub Co, New Delhi

PAPER – 501  
INDIAN ECONOMY

**UNIT 1: INDIA FROM INDEPENDENCE TO LIBERALIZATION**

An overview of the economic developments during the period 1947-1980; Objectives and strategies of planned economic development and the role of the State; Slowdown in growth since mid 1960; Changes in policy emphasis from growth to distribution; Green revolution.

**Readings:**

1. Arvind Subramanian (2007), Growth Experience, in Kaushik Basu (ed), The Oxford Companion to Economics in India, OUP, Delhi, pp. 231-236. (2008 edition may be also be used).
2. T.N. Srinivasan and S.D. Tendulkar (2003), Reintegrating India with the World Economy, OUP, Delhi, Chapter 1, 2 (pp. 11-27)

**UNIT 2 : INDIA SINCE 1980S (LIBERALIZATION AND BEYOND): OVERVIEW**

India Circa 1980. Policy Changes since 1980s. The 1990 Crisis. Why Liberalization? Causes and Effects. Regional differences. Industry and Firm size. Manufacturing and Services. Institutions and Infrastructure.

**Readings:**

1. Arvind Subrahmanian (2008), India's Turn: Understanding the Economic Transformation, Oxford University Press (OUP), Delhi, 2008, Chapter 2.
2. T.N. Srinivasan and S.D. Tendulkar (2003), Reintegrating India with the World Economy, OUP, Chapter 2 (pp. 27-47).

**UNIT 3 : MACRO TRENDS SINCE 1990**

Growth, Savings and Investment, Population, Employment, Regional differences, Monetary and Financial trends

**Readings:**

1. Rakesh Mohan (2008), Growth Record of the Indian Economy, 1950-2008: A story of Sustained Savings and Investment, EPW, May 10.
2. K.V.Ramaswamy (2007), Regional Dimensions of Growth and Employment, EPW, Dec 8.
3. Tim Dyson (2008), India's Demographic Transition and its consequences for Development, paper presented at IEG (Third Lecture in the Golden Jubilee Series) Mar 24.
4. Mihir Rakshit (2009), India amidst the Global Crisis, EPW March 28.
5. Note: Readings 1,2 and 3 are also available in Uma Kapila (ed) India's Economic Development Since 1947. Academic Foundation, Delhi, 4th edition 2009-10

**UNIT 4: INDIAN AGRICULTURE SINCE 1990**

Post Green Revolution agriculture; Production and productivity crisis in agriculture; Regional differences; Food Security, PDS system and Malnutrition.

**Readings:**

1. Ramesh Chand, S.S. Raju, L.M. Pandey (2007), Growth Crisis in Agriculture – Severity and Options at National and State Levels, EPW, June 30.

2. Bharat Ramaswami (2007), Public Distribution System in Kaushik Basu (ed), The Oxford Companion to Economics in India pp.430-33
3. R. Radhakrishna (2005), Food and Nutrition Security of the Poor, EPW, 30 April

*Note: Readings 1 and 3 are also available in Uma Kapila (ed) India's Economic Development Since 1947. Academic Foundation, 4th edition 2009-10.*

#### UNIT 5:

- (a) Industry, Foreign Trade And Foreign Capital Since 1990.
- (b) Role of Services and Infrastructure in Economic Development

#### Readings:

1. R. Nagaraj (2008), India's Recent Economic Growth: A closer look, EPW, Apr 12.
2. Pulin Nayak (2007), Privatization, in Kaushik Basu (ed), The Oxford Companion to Economics in India, pp. 426-30.
3. Nagesh Kumar (2005), Liberalization, FDI flows and Development, EPW, Apr. 2
4. J. Alhuwalia (2006), Trade Liberalization and Industrial Performance: A Disaggregated View of Indian Manufacturing in the 1990s, in Suresh Tendulkar et al. (eds.) India: Industrialization in a Reforming Economy, Academic Foundation, Delhi.
5. Jim Gordon and Poonam Gupta (2003), Understanding India's Services Revolution paper presented in IMF-NCAER Conference 2003, A Tale of Two Giants: India's and China's Experience with Reform, (excluding Section V) November 14-16, 2003, New Delhi ([www.imf.org/external/np/apd/seminars/2003/newdelhi/gordon.pdf](http://www.imf.org/external/np/apd/seminars/2003/newdelhi/gordon.pdf)) Can be downloaded from the website.
6. Sebastian Morris (2007), Infrastructure, in Kaushik Basu (ed), The Oxford Companion to Economics in India, pp.291-96.

#### Some background reading for the teachers:

##### Topic 1

1. Arvind Subrahmanian (2008), India's Turn: Understanding the Economic Transformation, Oxford University Press (OUP), Delhi, 2008, Chapter 1.
2. S. Chakravarty (1987), Development Planning: The Indian Experience, Clarendon Press, Chapter 1,2,3.

##### Topic 2

1. T.N. Srinivasan and S.D. Tendulkar (2003), Reintegrating India with the World Economy, OUP, Chapter 5
2. Jean Dreze and Amartya Sen (2002), India: Development and Participation, OUP, Chs. 2, 9.

##### Topic 4

Ashok Gulati and Shenggen Fan, The Dragon and the Elephant: Agricultural and Rural Reforms in India and China, Chapter 1 (Introduction and Overview).

## PAPER - 502

## COMPUTATIONAL TECHNIQUES FOR BUSINESS ECONOMICS

**UNIT 1 : USE OF OFFICE SOFTWARE**

Word processing, Spreadsheet basics, Database basics, Presentations.

**UNIT 2: USE OF SPREADSHEETS FOR DATA ANALYSIS**

Implementation of all statistical work in Paper 102 through spreadsheet  
Use of macros and automation of repeated data work

**UNIT 3 : ECONOMETRIC PROBLEM SOLVING**

Use of SPSS and SAS software packages to implement the econometric techniques taught in Paper 304

**UNIT 4: LINEAR PROGRAMMING AND MATHEMATICAL PROBLEM SOLVING**

Use of appropriate mathematical software package for linear programming problems and for

**UNIT 5 : DATA SETS**

Introduction to real economic and business data sets. Working on real problems and preparation of a project report.

**Notes:**

1. The paper is of 100 marks like other papers. The evaluation shall be based on the following :

- 25 marks for teacher's assessment based on attendance and lab record.
- 25 marks for practical examination; joint evaluation
- 50 marks for viva voce; external evaluation

2. For each computation based project, one teacher from the college shall act as guide. The project is to be decided at the beginning of the semester.

**Suggested References:**

1. Manuals for the relevant softwares
2. Data Sets: Census of India, National Sample Survey, Index of a stock exchange, Wages and Production, CMIE.

**Optional Group F: Paper – 511**  
**INVESTMENT MANAGEMENT**

**Objective:**

The course aims to acquaint the students with the essential of Investment Management and to equip them with essential tools for the same.

**UNIT 1 : BOND MANAGEMENT**

Bond Basics, Concept of a yield , Valuation of Bonds ,Different ways of Computing Yield (Current yield, holding yield and Yield to maturity (YTM)), yield curve, Basic Theorems of Bond Valuation and Term Structure. Risk In Bonds, Interest rate and default risk , Risk Structure of Interest Rates, Bond Duration, Modified Duration , Bond Convexity, Immunization and Rebalancing of Bond Portfolios

**UNIT 2 : MARKET EFFICIENCY****(i) Market Efficiency**

Meaning and forms of market efficiency , The Random Walk Model, Security Analysis (Overview of Fundamental and Technical Analysis)

**(ii) Dividend Discount Model**

One, two and Multi Stage Growth Models, Price Earnings Approach to stock valuation.

**UNIT 3 : PORTFOLIO THEORY**

Concepts of Risk and Return, Mean Variance Framework, Markowitz Model and Modern Portfolio Theory, Portfolio Diversification Concepts, Single Index Model , Beta of a stock, Systematic and Unsystematic Risk , SML, CML , market model and CAPM.

**UNIT 4 : MUTUAL FUNDS**

Introduction, Calculation of NAV of a Fund, Classification of Mutual Fund Schemes (Open end & closed end, income & growth schemes, sectorial schemes, index Schemes, Fund of Funds Schemes) Tracking Error, Tactical Asset Allocation and Portfolio Rebalancing

Measuring Performance of mutual fund schemes (S&P Risk Adjusted Ratio, Sharpe, Treynor, and Jenson, Information and  $M^2$  Ratios), core-satellite portfolio framework, Diversification vs. asset allocation, benchmarking mutual fund performance, Portfolio Management Service(PMS)

**UNIT 5 : DERIVATIVES:**

Meaning and Types ,Stock Futures, Commodity Futures, Interest rate futures, Hedging through futures and payoffs, Options , In the money, At the Money and Out of Money Options, Option Payoffs ,Forwards and its difference with futures, Simple Futures and Options Combination Strategies (Neutralising the risk, Spread ,Straddle ,Collars, Covered call, and Put Call Parity), factors affecting option premium, option pricing model ( only two stage binomial model ), Swaps (Interest rate and currency swaps).

### Main Readings

1. Brealey, R and S.C.Myers, *Principles of Corporate Finance*; 6<sup>th</sup> Edition Mc. Graw Hill, New York (2000).
2. Chandra, Prasanna *Financial Management*, Latest Edition Mc. Graw Hill, New Delhi.
3. Khan, M.Y '*Indian Financial System*' Latest Ed., Tata Mc Graw Hill, New Delhi.
4. National Stock Exchange of India '*Indian Securities Market: A Review*' 6<sup>th</sup> Edition NSE, Mumbai (2003).
5. Rustagi R.P, *Investment Management : Theory and Practice* : 2<sup>nd</sup> Edition Sultan Chand and Co. New Delhi(2007).
6. S.G. Eakins, S.G. '*Finance: Investments, Institutions and Management*'., Addison Wesley Longman Inc, USA. (1999)
7. Shahani, Rakesh '*Financial Markets in India*' 2<sup>nd</sup> Edition, Anamica Pub Co, (2008)

### Supplementary Readings :

1. Schaum's Outline Series, *Theory and Problems of Investments* : Latest Edition , Mc. Graw Hill
2. Singh Preeti , *Fundamentals of Investment Management* , Himalaya Publishing House, (2006)

### Objective

To provide students with a understanding of the psyche of a typical consumer and its application to the Indian context.

### UNIT 1. INTRODUCTION

Scope of consumer behaviour; Marketing concept and consumer behaviour; Customer value, satisfaction and retention; Marketing ethics and social responsibility; Model of consumer decision making; Consumer research paradigms and consumer research process.

### UNIT 2. CONSUMER AS AN INDIVIDUAL

#### (i) Personality and Consumer Behaviour

Theories of personality; Personality and consumer diversity; Brand personality; Self and self image; Virtual personality.

#### (ii) Consumer Perception

Elements and dynamics of perception (Sensation, Absolute and Differential threshold, Subliminal perception, Perceptual selection, organization and interpretation); Consumer imagery.

#### (iii) Consumer Learning

Elements of Consumer learning, Behavioural learning theories (Classical, Instrumental, Observational); Cognitive learning theory (Information processing and Involvement theory); Recognition and recall measures.

#### (iv) Consumer Attitude

Nature; Structural models; Attitude formation; Attitude change strategies; Cognitive dissonance theory; Attribution theory.

### UNIT 3. CONSUMERS IN SOCIAL SETTINGS

#### (i) Reference Groups and Family Influences

Power of reference groups; Types (Friendship, Shopping, Work, Virtual and Consumer action groups); Reference group appeals and celebrities; Socialisation of family; Functions of family; Family decision making.

#### (ii) Social Class

Class, Status and categories; Affluent consumers; Middle Class; Working class and non affluent consumers; Consumer behaviour applications of social class.

### UNIT 4. CULTURE AND CONSUMER BEHAVIOUR

Needs and culture; Culture is invisible; Learning and culture ( Symbolism, Enculturation and Acculturation, Rituals); Measurement of culture (content analysis, fieldwork, value measurement survey instruments); Subcultures (nationality, religious, geographic, racial, age and gender subcultures)

## UNIT 5. CONSUMER DECISION MAKING PROCESS

### (i) Opinion Leadership and Diffusion of Innovations

Opinion leadership: Process and motivation behind it; Profile of opinion leaders; Frequency, overlap and situational environment; Application to marketing strategy.

Diffusion of innovations: Process; Adoption process; Profile of consumer innovators.

### (ii) Consumer Decision making

Levels; Models; Gifting behaviour; Consuming and possessing; Relationship marketing.

**Note :** Teaching must incorporate discussions of concepts with cases and advertisements in the Indian context.

### Main Reading :

Consumer Behaviour by Leon G. Schiffman & Leslie Lazar Kanuk, 8<sup>th</sup> ed., Pearson publications

### Supplementary Readings :

1. Consumer Behaviour by Hawkins, Best and Coney, 9<sup>th</sup> ed, Tata McgrawHill.
2. Consumer Behaviour in Indian Perspective by Suja Nair, Himalya publishers.
3. Conceptual Issues in Consumer Behaviour by S Ramesh Kumar, Pearson Publication.
4. Customer Behaviour: A Managerial Perspective by Sheth and Mittal, Thomson Publication



Optional Group Q: Paper – 531  
ADVANCED ECONOMETRICS,

**Objective**

To build upon the basics of econometrics and equip the students with advanced methodologies in econometrics to make them efficient analysts and researchers.

**UNIT 1 : RELAXING THE ASSUMPTIONS OF THE CLASSICAL LINEAR MODEL**

Multicollinearity: The problem. Detection. Solution.

Heteroscedasticity: The problem. Detection. Solution. GLS.

Autocorrelation: Problem. Tests for detection. Solutions.

Specification Errors: Omission of a variable, Inclusion of irrelevant variable, tests for detecting errors, errors in explanatory and dependent variable

**UNIT 2 : SIMULTANEOUS EQUATION MODELS:**

Two Stage Least Squares And The Indirect least squares techniques. Applications.

**UNIT 3 : TIME SERIES MODELS:**

Stationary and Non Stationary time series , Unit root tests, the Random Walk, Moving Average and White Noise, Static and Dynamic models, adaptive expectations and partial adjustment models.

**UNIT 4 : BINARY DATA AND LIMITED DEPENDENT VARIABLE MODELS**

Qualitative Response and Limited Dependent Variable Models (LPM, Logit and Probit Models) Maximum Likelihood Estimator.

**UNIT 5 : PANEL DATA**

Fixed and Random Effects

**Main References :**

1. Gujarati , Damodar : Basic Econometrics , 3rd edition McGraw Hill, New Delhi (1995)
2. Christopher Dougherty, *Introductory Econometrics* 3<sup>rd</sup> Edition Oxford University Press (2007)
3. Pindyck ,Robert S. and Daniel L. Rubinfeld. "*Econometric Models and Economic Forecasts.*". McGrawHill, 3<sup>rd</sup> Edition, Singapore (1997).

**Optional Group E: Paper- 541**  
**INTERNATIONAL ECONOMICS**

**UNIT 1: INTERNATIONAL TRADE THEORY**

Basis and the Gains from Trade

Absolute Advantage theory, Law of comparative advantage, Opportunity Cost Theory, Production Possibility Curve with opportunity costs and relative commodity price, The basis for and gains from trade under constant costs.

Production Possibility Curve -with increasing costs, Community indifference curve, equilibrium in isolation, Gains from Trade with increasing costs, Gains from exchange and specialization.

The Equilibrium Relative Commodity Prices with – Partial Equilibrium Analysis, Offer curves, The Equilibrium Relative Commodity Prices with – General Equilibrium Analysis, Relationship between General and Partial Equilibrium Analyses, Terms of trade.

**Reading:**

Salvatore-International Economics-8th Edition, Chapter 4, Chapter 3 without Appendix However, Appendix: A4.1, A4.2, A4.3, A4.4 on Derivation of Trade Indifference Curves can be treated as Optional reading.

**UNIT 2: FACTOR ENDOWMENT AND HECKSCHER OHLIN THEORY**

Assumptions of the theory, Interpretation of Heckscher Ohlin Theorem, General equilibrium framework of Heckscher- Ohlin Theorem, Diagrammatic presentation of the theory, Factor price equalization and income distribution, Leontief paradox and Factor Reversal

**Reading**

Salvatore-International Economics-8th Edition [Chapter 5 and its Appendix other than A5.4] New Trade Theories , Technology, skill, product differentiation [Sections 6.1, 6.2, 6.3, 6.4A, 6.4B and 6.5, 6.5A, 6.5B of Chapter 6] Salvatore-International Economics-8th Edition

**UNIT 3: INTERNATIONAL TRADE POLICY**

A: Tariff

Definition, Types, Partial equilibrium analysis of a tariff, Effects of a tariff on consumer and producer surplus, Cost and benefit analysis of tariff, Rate of effective protection.

**Reading**

[Sections 8.1, 8.2, and 8.3A of chapter 8]

Salvatore-International Economics-8th Edition

B: Non-Tariff Barriers and the New Protectionism

Import Quotas, comparison with tariff, Voluntary Export Restraints, Technical Administrative and other regulations, International cartels, Dumping, Export Subsidies

**Reading**

[Sections 9.1, 9.2, 9.2A, 9.2B, 9.3, 9.3A-9.3E of Chapter 9]

Salvatore-International Economics-8th Edition

#### UNIT 4. NEW TOPICS IN INTERNATIONAL TRADE

- A. International Capital Flows, Capital flows under laissez faire, Welfare analysis
- B. Extension of Hecksher - Ohlin Trade theory- Many good and many factors extension
- C. Immiserising Growth and Transfer Problem
- D. Foreign Investment with special reference to Developing countries

##### Reading

1. Lectures on International Trade-Jagdish Bhagwati, T.N. Srinivasan: MIT Press
2. W.M.Corden Trade Policy and Welfare. Clarendon Oxford

#### UNIT 5. WORLD TRADE ORGANIZATION

GATT and Trade Liberalization, GATT to WTO, Objectives, functions, basic principles and areas of operation of WTO, Structure and working of the WTO, an overview of Ministerial conferences: issues, decisions and controversies, Doha Development Agenda, WTO and agriculture, Implications of WTO activities for developing countries, WTO and India.

##### Reading

1. Contemporary Issues in Globalization-An Introduction to Theory and Policy in India-(OUP) Soumyen Sikdar , Chapters- 6 and 7
2. [www.wto.org](http://www.wto.org)

**Optional Group P: Paper 551**  
**PROJECT MANAGEMENT**

**UNIT 1 : INTRODUCTION:**

Project Identification, generation of ideas, Project screening and measurement of performance, Project Cycle, Feasibility studies and formulation of a project, Project planning, Market and Technical Analysis.

**UNIT 2 : FINANCIAL ANALYSIS USING DISCOUNTING AND NON DISCOUNTING TECHNIQUES**

Accounting rate of return , Pay Back, NPV, IRR,BCR/PI : Merits and Demerits of each, NPV vs. IRR : Pitfalls, No IRR, Multiple IRR, Incremental IRR, the Choice between NPV and IRR, Specific project decisions like Equivalent Annual Value, Unequal Lives of Projects, Adjustment for Inflation, Projects with Resource Constraint etc

**UNIT 3 : INCORPORATING RISK IN PROJECTS**

Conventional Tools to handle risk: Risk Adjusted Discount Rate, Certainty Equivalent, Sensitivity Analysis.

Statistical Tools of incorporating risk: Probability, Standard Deviation and coefficient of variation, Probability Distribution (including dependent, independent and decision tree techniques ) Project termination and Abandonment analysis.

**UNIT 4 : INTERMEDIARIES, ARRANGEMENT OF FUNDS AND PROJECT MANAGEMENT**

Meaning and role of merchant/investment banks as intermediaries in project management, functions performed by investment banks. Performance of these banks over the years. India Growth Story and Rise of Merchant Banking in India, Impact of the sub prime crisis on merchant and investment banks.

**UNIT 5 :**

**Exercise on Writing of the Project Report**

**Suggested Readings**

1. Brealey, R and S.C.Myers, *Principles of Corporate Finance*; 6<sup>th</sup> Edition Mc. Graw Hill, New York (2000).
2. Chandra, Prasanna *Projects Planning Analysis Selection , Implementation and Review Latest Edition* Mc. Graw Hill, New Delhi.
3. Gopalkrishnan P & V.E. Ramamoorthy : *Text book of Project Management* Mc. Millan , New Delhi. (1996)
4. Patel, B.M. *Project management* Vikas Pub. House (2000)
5. Rustagi , R.P, *Financial Management : Theory Concepts and Problems* : 3<sup>rd</sup> Edition Galgotia Publishing Co. (2006)
6. Shim.J & J.Giegel, *Financial Management*, ,Schaum Outline Series, 2<sup>nd</sup> Edition Tata Mc Graw Hill Co.(2004)

PAPER – 601  
ENVIRONMENTAL ECONOMICS

Environmental Economics is no longer a peripheral area of the discipline of Economics, but is at the centre in discussions of development economics today. Hence students need to understand the basic terminology of Environmental Economics, Environmental valuation, Accounting Framework, Regulations, and international environmental issues. This syllabus not only provides the basic foundations of Environmental Economics but also equips the students regarding current developments in the subject.

**UNIT I: ENVIRONMENTAL PROBLEMS AND ISSUES:**

1. An Introduction to Environmental Economics
2. Environment and Elements of ecology
3. Market Failure Analysis: Public Goods and Externalities  
Chapters 2 and 4 -Thomas Callan  
Chapter 1-R.N.Bhattacharya

**UNIT II: SOLUTIONS TO ENVIRONMENTAL PROBLEMS:**

1. Conventional Policy- Environmental Standards, Efficiency of Environmental standards, Command and Control Approach
2. Market Based Policy- Pollution Charges and Environmental Subsidies, Deposit refund System, Pollution Permit Trading Systems,
3. Environmental Regulations in India  
Chapters 5 and 6 Thomas Callan  
Chapter 3 (pages 100-119) – R.N. Bhattacharya

**UNIT III: ANALYTICAL TOOLS FOR ENVIRONMENTAL PLANNING**

1. Environmental Risk Analysis- Concept of Risk, Risk Assessment and Risk Management.
2. Assessing Benefits for Environmental Decision Making- Environmental Benefits- Conceptual Issues, Approaches to Measuring Environmental Benefits- Physical Linkage Approach, Behavioral Linkage Approach- Direct and Indirect Estimation Methods.
3. Benefit – Cost Analysis  
Chapters 7, 8 and 9 Thomas Callan

**UNIT IV: SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL ACCOUNTING**

1. Sustainable Development- Concept and Measurement
2. Environmental Accounting- Concept, Common Property Resources and LDCs  
Chapter 5-Tom Tietenberg  
Chapter 5-R. N. Bhattacharya (Pages 179 to 188 and 198 to 215)

## UNIT V: GLOBAL ENVIRONMENTAL MANAGEMENT

1. International Trade and International Agreements
2. A Case of Global Air Quality- Policies for Ozone Depletion and Global Warming.  
Chapters 21 and 14- Thomas Callan

### References:

Thomas Callan: Environmental Economics, 2007 Thomson Learning Inc. Indian Edition.

R.N.Bhattacharya: Environmental Economics, An Indian Perspective (Edited), 2001 Oxford University Press.

Tom Tietenberg: Environmental and Natural Resource Economics, 2004 (Sixth Edition), Pearson Education.

**Objective:**

The course aims to acquaint the students with the nature, scope and formulation of Business Strategies and their supporting organizational policies.

**UNIT I OVERVIEW OF STRATEGIC MANAGEMENT****(i) Nature and Value of Strategic Management**

Nature and scope, Concept of Strategy, Levels of Strategy, Corporate Strategy, Strategy Planning, Value of Strategic management. Benefits of strategic management. Risks of Strategic management.

**(ii) Strategic Management Process**

Strategic Management as a Process. Components of Strategic Management Model. Concept of Vision and Mission. Formulating a Company Mission. Social Responsibility: Guidelines for a Socially Responsible Firm.

**UNIT 2 : ENVIRONMENTAL ANALYSIS****(i) External Environment**

Need and Characteristics of environmental factors. Analysis of remote environment. Analysis of specific environment: Michael E. Porter's 5 Forces Model.

**(ii) Internal Environment**

Value of Systematic Internal Assessment. Developing the Company profile. Profile of Company's Strengths and Weaknesses.

**(ii) Multinational Environment**

Why Companies Internationalize. Complexity of the Multinational Environment. Multinational Strategic planning. MNC Mission Statement.

**UNIT 3: STRATEGY FORMULATION, ANALYSIS AND CHOICE****(i) Formulating Long-Term Objectives and Grand Strategies**

Long Term Objectives. Types of Strategies. Selection of Long term Objectives and Strategy. Sequence of Objectives and strategy selection.

**(ii) Strategic Analysis and Choice**

Strategic Analysis at the Corporate Level. SWOT Analysis. Grand strategy Selection Matrix. Contingency Approach to Strategic Choice.

**UNIT 4: STRATEGY IMPLEMENTATION AND CONTROL****(i) Operationalizing the Strategy**

Annual Objectives. Qualities and Benefits of Annual Objectives. Developing Functional Strategies. Business policies and their Purpose.

**(ii) Institutionalising the Strategy**

Structural Considerations. Linking structure to strategy. Organizational leadership. Role of the CEO. Organizational culture. Managing the Strategy-Culture relationship.

**(iii) Strategic Control and Evaluation**

Establishing Strategic Controls. Operational control systems.

## UNIT 5 : BUSINESS ETHICS:

Values-Concept, types and formation of values, ethics, values and behaviour, Ethics, development of ethics, ethical decision making and decision making process, relevance of ethics and values in business. Management of Ethics.

### Main Readings :

1. J.A. Pearce & R.B Robinson; *Strategic management*, Prentice Hall Publications.
2. Ghosh, P. K.; *Strategic Planning and Management*, Sultan Chand & Sons, New Delhi

### Supplementary Readings :

1. Thompson, Arthur A. and A. J. Strickland; *Strategic Management*, McGraw Hill, New York.
2. Ghosh, P. K.; *Strategic Planning and Management*, Sultan Chand & Sons, New Delhi
3. Prased, L.M ; *Business Policy; Strategic management.*, Sultan Chand & Sons, New Delhi.
4. Jauch and Glueck; *Business Policy and Strategic Management*, McGraw-Hill.



**Optional Group F: Paper – 611**  
**INTERNATIONAL FINANCE**

**UNIT 1 : INTRODUCTION TO THE FOREIGN EXCHANGE MARKET AND FUNDAMENTAL ISSUES**

What is Foreign Exchange (Forex) Market, Communication in Forex Markets, Currency Quotes, types of quotations in forex markets, calculation of forward rates using spot rates, calculation of discount/premium on spot rate using spot and forward rates, Spot Rates with and without transaction costs, synthetic quotes. Arbitrage: one point, two point and three point arbitrage. Interest rate Parity (explanation of borrowing and lending criteria, diagrammatic presentation) PPP Principle (both absolute and relative versions), International Fischer Effect.

**UNIT 2 : DERIVATIVES IN THE INTERNATIONAL FINANCE MARKET**

Forward vs. Future contracts, Pay Off profile on currency forward and future contracts. Margin Adjustment for futures. Currency Options: European and American Options, Intrinsic Value, premium, at the money, in the money and out of money options, Pay Off profile on option contracts.

**UNIT 3 : INTERNATIONAL FINANCIAL SYSTEM**

International Financial System : Past, Present and Future : Gold Standard, Price Adjustment under the Gold Standard Gold Exchange Standard, Price Adjustment under the Gold Exchange Standard, European Monetary System, Price Adjustment under the EMS, Brettenwood System, Creation of SDRs, Smithsonian Agreement and Plaza Agreement.

**UNIT 4 : FACTORS AFFECTING EXCHANGE RATES AND EXPOSURES**

Currency Demand and Supply Curves, the 'J' Curve Effect. Factors Affecting Exchange Rate: Inflation (Home Country & Home Country and foreign country), Interest Rates, Income Levels, Government Control, Expectations etc. Foreign Exchange Exposure: Transaction, Economic and Translation Exposure, managing these exposures and statistical measurement. Hedging strategies adopted in international trade.

**UNIT 5 : PAYMENT SYSTEMS**

Payment Terms and Financing International Trade , International Flow of Funds and Portfolio Investment in India, FDI vs. FIIs, Investment Strategies of FII in India, FII and volatility, Impact of FII investment on stock markets and concern of Government .

**Main Readings :**

1. Apte, P. G., Multinational Financial Management, Tata-McGraw Hill, New Delhi, 1998.
2. Levi, Maurice; International Finance McGraw Hill Inc., New York, 1996
3. Madura, Jeff; : International Financial Management
4. Seth, A.K., International Financial Management, Galgotia Publishing Company, New Delhi, 2000.
5. Shapiro, Allen C., Multinational Financial Management, Prentice Hall India Pvt Ltd., New Delhi, 1995.

**Optional Group M: Paper – 621**  
**ADVERTISING & BRAND MANAGEMENT,**

**UNIT-1 FOUNDATIONS OF ADVERTISING**

Types of advertising, The Concept of IMC, Roles and functions of advertising, The key players – advertiser, media, advertising agency, Organization of agency – how to select an advertising agency, Advertising appropriations – factors influencing advertising budget, methods of setting advertising budget.

**UNIT-2 PLANNING AND STRATEGY**

Planning framework, Marketing strategy and situation analysis, The marketing plan, The advertising plan, Setting goals and objectives – functions and objectives, The DAGMAR approach, Segmenting and positioning.

**UNIT-3 EFFECTIVE ADVERTISING MESSAGE**

The creative and message strategy – the concept of USP/UVP, themes and appeals, Copywriting – the language of advertising, copywriting for print, radio, T.V. and web, Illustrating – visual communication, Designing and production – (including the visual layout), Evaluation of effectiveness, Pre- Testing, Post-Testing

**UNIT-4 EFFECTIVE ADVERTISING MEDIA**

Types of media, Newer media options, Media objectives, Media budget, Media strategies – Media mix, Media buying, Media evaluation.

**UNIT-5 BRAND MANAGEMENT**

Brand management – what is a brand, brand development, extension, rejuvenation, re-launch – product vs. brands, goods and services, retailer and distributors, people and organization, brand challenges and opportunities, the brand equity concept, identity and image  
 Brand leveraging and brand performance – establishing a brand equity management system, measuring sources of brand equity and consumer mindset, co-branding, celebrity endorsement  
 Brand positioning and brand building – brand knowledge, brand portfolios and market segmentation – steps of brand building, identifying and establishing brand positioning, defining and establishing brand values.

**Suggested Readings :**

1. Advertising: Principles and Practice by William Wells, Sandra Moriarty, and John Burnett, 7<sup>th</sup> edition, prentice-Hall of India, 2007
2. Advertising Management by Jaishri Jethwaney and Shruti Jain, Oxford University press, 2006
3. Advertising by Akar, Mayor and Batra

Optimal Group Q: Paper 621  
ADVANCED MATHEMATICAL TECHNIQUES,

**UNIT 1 : LINEAR ALGEBRA**

Characteristic equations and roots. Diagonalisation. Quadratic forms.

**UNIT 2 : FUNCTIONS OF SEVERAL VARIABLES**

Partial derivatives. Generalised Young's theorem and Euler's theorem. Convex sets. Convexity, Concavity, quasi convexity, quasi concavity and their inter-relations. Maximum and minimum values. Constrained optimisation with one and more equality constraints. Envelope results. Optimisation with inequality constraints. Non linear programming. Applications.

**UNIT 3 : LINEAR PROGRAMMING**

Duality, Complementary Slackness and application of Kuhn Tucker conditions.

**UNIT 4 : DIFFERENCE EQUATIONS**

First order with constant and variable coefficients. Second order equations. Economic applications.

**UNIT 5 : DIFFERENTIAL EQUATIONS**

Definite and indefinite integrals and their economic applications.

**Suggested Reading**

1. Sydsaeter, Knut & Hammond, Peter J.: Mathematics for Economic Analysis [Pearsons Education]
2. Yamane, Taro: Mathematics for Economists – An elementary survey [PHI]

**Optimal Group E: Paper 641**  
**ECONOMIC GROWTH AND POLICY**

**UNIT 1 : ECONOMIC DEVELOPMENT- DEFINITIONS AND CONCEPTS**

- A Very Short Introduction (AVSI), Characteristics of Development pp 1-29
- Development Economics, Chapter-2
- Distinction between Growth and Development
- Economic Development, Michael. P. Todaro, Chapter 1 and 2

**UNIT 2 : GROWTH MODELS**

- DE, Chapter-3 Economic Growth, Section-3.3.1(pp 51-56) and Section 3.5 (pp 74-84).
- DE, Chapter 10, pp 353-371 (LEWIS MODEL)
- Introduction to Economic Growth pp20-53 (THE BASIC SOLOW MODEL)
- Endogenous Growth Model : Jones

*Note- Solow Model shall be covered before Convergence (Section 3.5)*

**UNIT 3 : HUMAN CAPITAL- EDUCATION, INTELLECTUAL CAPITAL & POVERTY.**

- Meier pp 450-459 (Education investment in Human Capital)
- Michael P Todaro , *Economic Development*, Chapter 9 (Human Capital : Education & Health n Economic Development)
- Concept of relative and absolute poverty, Sen
- Income inequality and its measurement, world experience in this context

**UNIT 4 : TECHNOLOGICAL PROGRESS**

- Introduction to Economic Growth Chapter 4 & Chapter 5 (up till Page 110)
- Development Economics, Chapter 4 , Section 4.4.4 & 4.4.5
- Growth and Development, A.P Thirwall Chapter 14 (up till page 499) also included are pp 525 -536
- Meier, Section VIII, pp 381-405 (International Trade and International Inequality)

**UNIT 5 : STATE AND THE MARKET**

- F Hayami , Chapter-8 (up till page 212) and also included are pp 233-239 Experience of South East Asia And Latin America Countries in this context could be useful.

**References:**

- Debraj Ray, *Development Economics*, DE, Princeton University Press 1998
- Charles Jones, *Introduction to Economic Growth*, Second Edition
- Partha Dasgupta, *Economics: A Very Short Introduction*, Oxford University Press, 2007
- Meier, *Leading Issues in Economic Development*, 5<sup>th</sup> edition
- Michael.P.Todaro, *Economic Development*, 8<sup>th</sup> edition.
- F Hayami, *Economics* (as per the previous syllabus)
- A.P Thirwall, *Growth and Development* , 7<sup>th</sup> edition

Optimal Gr P: Paper 651  
ENTREPRENEURSHIP AND FAMILY BUSINESS

**OBJECTIVES :** Provide understanding of entrepreneurship, i.e., initiating an innovative new business venture and developing it into a self-sustaining and profitable enterprise. Family businesses impact all our lives. The course shall explore the business, personal, and interpersonal issues associated with a family-owned and managed company. The objective of this stream is to provide comprehensive knowledge and develop competencies to start own independent business.

**UNIT 1 : THE ENTREPRENEURIAL DEVELOPMENT PERSPECTIVE**

Concepts of Entrepreneurship Development, Evolution of the concept of Entrepreneur, Entrepreneur Vs. Intrapreneur, Entrepreneur Vs. Entrepreneurship, Entrepreneur Vs. Manager, Attributes and Characteristics of a successful Entrepreneur.

**UNIT 2 : CREATIVITY ISSUES AND IDEA PROCESSING**

Managing Creativity Issues to be addressed in working the definition of creativity – Definition -Attributes of a creative person - Creative Thinking and Motivation -Managing Creativity - Organisational Actions that enhance and hinder Creativity -Organisational priorities and Creativity -Managerial responsibilities in a creative organisation. Search for business idea, sources of ideas, idea processing , Input requirements: sources and criteria of financing, fixed and working capital assessment, technical and marketing assistance

**UNIT 3 : ENTREPRENEUR AND ECONOMIC DEVELOPMENT**

Role of Entrepreneur in Indian economy and developing economies with reference to Self-Employment Development, Entrepreneurial Culture, The Entrepreneurial mind-set in individuals, The Entrepreneurial mind-set in organizations and corporate entrepreneurship, Entrepreneurial Strategy: generating and exploiting new entries.  
Why do Entrepreneurs fail - The FOUR Entrepreneurial Pitfalls (Peter Drucker)

**UNIT 4 : MANAGEMENT OF FAMILY BUSINESS**

Overview of Family Business Domain, Family capital, Recognize conflict, Decision making and conflict management, Governance of the family enterprise, Enduring family enterprise.

**UNIT 5 : SUCCESSION PLANNING**

Innovation & Change , Nagging issues, Succession, Developing leadership abilities, Estate planning, Expectations of successors, Self-development and career plan, Preparing the next generation

### Suggested Readings :

1. Vasanth Desai : Dynamics of Entrepreneurial Development & Management
2. Gupta & Srinivasan : Entrepreneurial Development
3. John Kao : Creativity & Entrepreneurship
4. Carlock, R. S. & Ward, J. Strategic Planning for Family Business: Parallel Planning to Unite the Family and the Business.
5. Poza, E. J. Family Business. 2007.

**Choice Based Credit System (CBCS)**

# UNIVERSITY OF DELHI

**FACULTY OF APPLIED SOCIAL SCIENCES  
AND HUMANITIES**

**UNDERGRADUATE PROGRAMME  
(Courses effective from Academic Year 2015-16)**



**SYLLABUS OF COURSES TO BE OFFERED**  
**Core Courses, Elective Courses & Ability Enhancement Courses**

**Disclaimer:** The CBCS syllabus is uploaded as given by the Faculty concerned to the Academic Council. The same has been approved as it is by the Academic Council on 13.7.2015 and Executive Council on 14.7.2015. Any query may kindly be addressed to the concerned Faculty.

**Undergraduate Programme Secretariat**

## **Preamble**

The University Grants Commission (UGC) has initiated several measures to bring equity, efficiency and excellence in the Higher Education System of country. The important measures taken to enhance academic standards and quality in higher education include innovation and improvements in curriculum, teaching-learning process, examination and evaluation systems, besides governance and other matters.

The UGC has formulated various regulations and guidelines from time to time to improve the higher education system and maintain minimum standards and quality across the Higher Educational Institutions (HEIs) in India. The academic reforms recommended by the UGC in the recent past have led to overall improvement in the higher education system. However, due to lot of diversity in the system of higher education, there are multiple approaches followed by universities towards examination, evaluation and grading system. While the HEIs must have the flexibility and freedom in designing the examination and evaluation methods that best fits the curriculum, syllabi and teaching-learning methods, there is a need to devise a sensible system for awarding the grades based on the performance of students. Presently the performance of the students is reported using the conventional system of marks secured in the examinations or grades or both. The conversion from marks to letter grades and the letter grades used vary widely across the HEIs in the country. This creates difficulty for the academia and the employers to understand and infer the performance of the students graduating from different universities and colleges based on grades.

The grading system is considered to be better than the conventional marks system and hence it has been followed in the top institutions in India and abroad. So it is desirable to introduce uniform grading system. This will facilitate student mobility across institutions within and across countries and also enable potential employers to assess the performance of students. To bring in the desired uniformity, in grading system and method for computing the cumulative grade point average (CGPA) based on the performance of students in the examinations, the UGC has formulated these guidelines.



**B.A. (HONS.) BUSINESS ECONOMICS:**  
**Three-Year (Six Semesters) CBCS Programme**  
**Proposed Course Structure**

**SEMESTER-WISE ALLOCATION**

<b>Paper Code</b>	<b>Semester I</b>	
AECC-1	Environmental Studies	Ability Enhancement - Compulsory
C1	Microeconomics and Applications- I	Core Discipline
C2	Accounting for Managers	Core Discipline
G1	Any One from the List of Generic Elective / Interdisciplinary Courses	Elective Course – Interdisciplinary
	<b>Semester II</b>	
AECC-2	Business Communication (Language: English/MIL)	Ability Enhancement - Compulsory
C3	Microeconomics and Applications - II	Core Discipline
C4	Mathematics for Business Economics	Core Discipline
G2	Any One from the List of Generic Elective / Interdisciplinary Courses	Elective Course – Interdisciplinary
	<b>Semester III</b>	
C5	Macroeconomics and Applications – I	Core Discipline
C6	Statistics for Business Economics	Core Discipline
C7	Corporate Finance	Core Discipline
G3	Any One from the List of Generic Elective / Interdisciplinary Courses	Elective Course – Interdisciplinary
SEC-I	Any ONE from the list of SKILL ENHANCEMENT COURSE (SEC)	Skill Enhancement Course
	<b>Semester IV</b>	
C8	Macroeconomics and Applications – II	Core Discipline
C9	Basic Econometrics	Core Discipline
C10	Marketing Management	Core Discipline
G4	Any One from the List of Generic Elective / Interdisciplinary Courses	Elective Course – Interdisciplinary
SEC-II	Any ONE from the list of SKILL ENHANCEMENT COURSE (SEC)	Skill Enhancement Course
	<b>Semester V</b>	
C11	Quantitative Techniques for Management	Core Discipline
C12	Organization Behavior	Core Discipline
DSE-I	Elective – I	Discipline Specific Elective
DES-II	Elective – II	Discipline Specific Elective
	<b>Semester VI</b>	
C13	International Economics	Core Discipline

C14	Legal Aspects of Business	Core Discipline
DSE-III	Elective – I	Discipline Specific Elective
DSE-IV	Elective – II	Discipline Specific Elective
<b>Project Work/ Dissertation in lieu of one of the Elective Core discipline papers</b>		

#### **LIST OF SKILL ENHANCEMENT COURSES (SEC)**

1. Entrepreneurial Skills
2. Introductory Research Methods
3. Applied Econometrics
4. Data Base and Statistical Packages

#### **LIST OF DISCIPLINE SPECIFIC ELECTIVE COURSE (DSE): A Student would be free to choose any FOUR papers**

1. Indian Economy
2. Environmental Economics
3. Indian Financial Markets and Services
4. Advertising & Consumer Behaviour
5. Economic Growth & Development
6. Industrial Economics
7. Investment and Risk Management
8. Research Methods in Business Economics

#### **List of General Elective papers –Interdisciplinary**

- GE 1: Microeconomics
- GE 2: Macroeconomics
- GE 3: Fundamentals of Finance and its Applications
- GE 4: Introduction to Marketing Management

<b>Core Papers</b> <b>B.A. (Hons) Business Economics</b>		
<b>Semester : I</b>		
<b>C – 1</b> <b>Microeconomics and Applications- I</b>	<b>C – 2</b> <b>Accounting for Managers</b>	
<b>Semester : II</b>		
<b>C- 3</b> <b>Microeconomics and Applications – II</b>	<b>C- 4</b> <b>Mathematics for Business Economics</b>	
<b>Semester : III</b>		
<b>C- 5</b> <b>Macroeconomics and Applications – I</b>	<b>C- 6</b> <b>Statistics for Business Economics</b>	<b>C- 7</b> <b>Corporate Finance</b>
<b>Semester : IV</b>		
<b>C- 8</b> <b>Macroeconomics and Applications – II</b>	<b>C- 9</b> <b>Basic Econometrics</b>	<b>C- 10</b> <b>Marketing Management</b>
<b>Semester : V</b>		
<b>C- 11</b> <b>Quantitative Techniques for Management</b>	<b>C- 12</b> <b>Organization Behaviour</b>	
<b>Semester : VI</b>		
<b>C- 13</b> <b>International Economics</b>	<b>C- 14</b> <b>Legal Aspects of Business</b>	

**Note: All the above mentioned fourteen papers are compulsory for B.A. (H) Business Economics.**

**STRUCTURE OF CORE PAPERS FOR THE B.A.(HONS.) BUSINESS ECONOMICS COURSE**  
**THREE-YEAR (SIX SEMESTERS) CBCS PROGRAMME**

**Semester – I**

**C-1**

**PAPER NAME: MICROECONOMICS AND APPLICATIONS- I**

**UNIT I: BASIC CONCEPTS**

Scarcity and Choice; Production possibility frontier, Positive and normative economics; constructing a model, scientific method; concepts of opportunity cost, rate of growth, and of total, average and marginal functions.

Demand and Supply: Market demand, elasticity, shifts and movements, Applications of Demand, Supply and elasticity. Revenue and Expenditure, elasticity and marginal revenue; income elasticity of demand; consumer surplus

**UNIT II: CONSUMER CHOICE**

Cardinal theory, derivation of demand in case of one or more goods; Ordinal theory: Budget sets and Preferences under different situations. Indifference curves: the rate and elasticity of substitution. Consumer equilibrium; effects of change in prices and income; Engels curve. Derivation of demand curve. Income and substitution effects: Hicks and Slutsky. Applications of indifference curves to other economic problems

Revealed preference theory: WARP, SARP and the derivation of demand curve.

**UNIT III: PRODUCTION**

Production functions: single variable - average and marginal product, variable proportions, stages of production. Two variables - isoquants, returns to scale and to a factor; factor prices; cost minimization and output maximization; Elasticity of substitution. Expansion path and the cost function.

**UNIT IV: COST**

Concept of economic cost; Short run and long run cost curves; increasing and decreasing cost industries; envelope curve; L-shaped cost curves; economies of scale. Prices as parameters: Firm equilibrium and profit; short and long-run supply function; taxes and subsidies.

**UNIT V: FORMS OF MARKET**

Perfect competition: Equilibrium of the market. Long run industry supply: producer and consumer surplus. Applications: effects of taxes and subsidies.

Monopoly: Equilibrium; supply; multipiant firm; monopoly power; deadweight loss; price discrimination; bundling; two-part tariffs. Monopolistic Competition: Product differentiation; equilibrium of the firm in the industry-with entry of new firms and with price competition. Comparison with pure competition.

**Suggested Readings:**

1. Dr. Robert E. Hall and Dr. Marc Lieberman : Microeconomics- Principles and applications
2. Joseph E. Stiglitz and Carl E. Walsh: Principles of Microeconomics
3. Arthur O' Sullivan and Steven M. Sheffrin: Microeconomics- Principles, Applications and Tools ( for Application Purposes)
4. Varian, Hal R.: Intermediate Microeconomics (Sixth edition)
5. Mankiw, Gregory N.: Principles of Economics (Sixth edition)
6. Pindyck, Robert S. &Rubinfeld, Daniel L.: Microeconomics Sixth Edition [PHI]
7. Browning, Edgar K. &Zupan,: Microeconomic Theory and Applications

**Semester – I**

**C-2**

**PAPER NAME: ACCOUNTING FOR MANAGERS**

**Unit I Accounting Fundamentals**

Concept of Financial Accounting. Types of Accounting: Financial, Cost and Management Accounting. Accounting as an Information System. The users of Financial Accounting Information and their needs. Qualitative Characteristics of Accounting Information. Functions, Advantages and Limitations of Financial Accounting.

Basis of Accounting; Cash basis and Accrual basis. The nature of Financial Accounting Principles – Basic Concepts and Conventions: Entity, Money Measurement, Going Concern, Cost, Realisation, Accruals, Periodicity, Consistency, Prudence (Conservatism), Materiality and Full Disclosures.

Financial Accounting Standards: concept, benefits, procedure for issuing Accounting Standards in India. Salient features of Accounting Standard (AS): 1 (ICAI). Introduction to international financial reporting standards (IFRS).

**Unit –II Double entry Book Keeping**

Data Entry in the primary and secondary books of accounts - Preparation of Trial Balance.

Preparation of Final Accounts (Sole Trader); Trading and Profit and Loss account, Balance Sheet.

**Unit –III Cost and Management Accounting**

Basics of cost and management accounting. Elements of cost and cost determination. Cost Classification by Business Function. Cost Classification for Planning, Control and Decision Making. Cost Control. Cost Reduction. Cost Management. Cost Sheet.

Cost Behaviour-- Variable cost, Fixed cost and Mixed cost Behaviour. Importance of analysing Cost Behaviour and Cost Segregation. Cost Behavior and Income Determination.

Absorption Costing. Variable Costing. Comparison of Absorption Costing and Variable Costing. Reconciling Absorption Costing Profit and Variable Costing Profit. Benefits and Shortcomings of Variable Costing.

**Unit –IV Financial Analysis**

Meaning and Types of Financial Statements. Nature of Financial Statements. Limitations of Financial Statements. Analysis and Interpretation of Financial Statements. Techniques of Financial Analysis; Ratio Analysis; Advantages of Ratio Analysis. Limitations of ratio Analysis.

Meaning of Cash Flow Statement. Preparation of Cash Flow Statement as per Accounting Standard (AS): 3 (Revised) (ICAI): Indirect method only.

## **Unit –V Planning and Control**

Budget and Budgetary control — basic concepts. Classification of Budgets. Master budget. Fixed and Flexible Budgeting. Revision of Budgets. Zero Base Budgeting. Performance Report.

Cost Volume Profit Analysis-- Concepts and Techniques. Contribution Margin Analysis. Break even Analysis. Margin of safety. Angle of incidence. Applications of CVP Analysis. Limitations of CVP Analysis.

Alternative Choice Decisions-- Decision making Process. Relevant costs. Special sales order problem. Shut down Decision. Make or Buy Decision. Joint Product Decisions. Product Mix Decisions. Replacement Decisions.

### **Suggested Readings:**

1. S.N Maheshwari, "Accounting for Management", Vikas Publishing House
2. I.M.Pandey, "Management Accounting", Vikas Publishing House
3. R.S.N.Pillai and Bagavathi, "Management Accounting", S.Chand Publishing
4. Dr.R.P.Rustagi, "Fundamentals of Management Accounting", Taxmann Publications Pvt.Ltd.
5. Bibhu Prasad Sahoo and J.C. Varshny, "Accounting for Managers" Wisdom Publication
6. Jan Williams, "Financial and Managerial Accounting" – The basis for business decisions, Tata McGraw Hill Publishers
7. Horngren, Surdem, Stratton, Burgstahler, Schatzberg, "Introduction to Management Accounting", PHI Learning
8. Stice&Stice, "Financial Accounting Reporting and Analysis", 7th edition, Cengage Learning
9. SinghviBodhanwala, "Management Accounting" -Text and cases, PHI Learning
10. J.R. Monga, "Basic Corporate Accounting"
11. Monga, J.R., "Financial Accounting: Concepts and Applications", Mayur Paperbacks, New Delhi

**Semester – II**

**C-3**

**PAPER NAME: MICROECONOMICS AND APPLICATIONS – II**

**UNIT I: OLIGOPOLY AND GAME THEORY**

Cournot model and reaction curves; Stackelberg's model, Bertrand model; quantity leadership; price leadership; Non collusive stable equilibrium; simultaneous quantity setting; collusion; cartels; Concepts of Game Theory: Dominant strategies and Nash Equilibrium; Mixed strategies; Prisoner's Dilemma. Specification of oligopoly models in game theoretic terms. Repeated Games and Entry Deterrence.

**UNIT II: FACTOR MARKETS**

Factor pricing in the case of single and many variable factors; demand for labor in a product market with perfect competition and monopoly. Monopsony, bilateral monopoly and role of labour unions. Economic rent and quasi rent.

**UNIT III: GENERAL EQUILIBRIUM**

Edgeworth box: 2 good, 2 factor, 2 consumer analysis and Pareto optimality conditions; market trade; Walras Law; Relative prices; Equilibrium and efficiency; Grand Utility possibility frontier. Implication of first and second welfare theorem

**UNIT IV: WELFARE**

Social welfare function: welfare maximization; Fair allocation; Envy and equity. Arrow's Impossibility Theorem.

**UNIT V: MARKET FAILURE**

Externalities: Environment and its impact on market, Common property resources and public goods, Asymmetric Information and Signaling, Joint production and consumption.

**Suggested Readings:**

1. Dr. Robert E. Hall and Dr. Marc Lieberman : Microeconomics- Principles and applications
2. Joseph E. Stiglitz and Carl E. Walsh: Principles of Microeconomics
3. Arthur O' Sullivan and Steven M. Sheffrin: Microeconomics- Principles, Applications and Tools ( for Application Purposes)
4. Varian, Hal R.: Intermediate Microeconomics (Sixth edition)
5. Mankiw, Gregory N.: Principles of Economics (Sixth edition)
6. Pindyck, Robert S. & Rubinfeld, Daniel L.: Microeconomics Sixth Edition [PHI]
7. Browning, Edgar K. & Zupan,: Microeconomic Theory and Applications

## Semester – II

### C-4

#### PAPER NAME: MATHEMATICS FOR BUSINESS ECONOMICS

##### **UNIT 1: BASIC CONCEPTS**

Number system; basic elements of logic; equations and inequalities; concept and methods of proof. Set theory. Relations and Functions and their properties. Monotonicity and invertibility; domain and range. Sequences: convergent, divergent and oscillatory. Limit of a convergent sequence. Series and their convergence. Real valued functions: linear, polynomial, hyperbolic, logarithmic, exponential and their applications. Roots of polynomials. Limit of a real valued function.

##### **UNIT 2: SINGLE VARIABLE DIFFERENTIATION**

Continuity and differentiability of a function. Applications of continuity and differentiability: Intermediate value, extreme value and mean value theorems. Taylor's and McLaurin's series and expansions. Stationarity, convexity and concavity of functions. Global and local extrema and points of inflexion. Applications to economics.

##### **UNIT 3: LINEAR ALGEBRA**

Vectors and vector spaces: operations of addition and scalar multiplication and their geometric representation; linear combinations, linear span and basis. Scalar Product and orthogonality. Matrix operations of addition, multiplication, transpose. Row and column operations. Triangular, diagonal, symmetric, orthogonal and idempotent matrices. Determinants and inverse. Linear independence, Rank and solutions to linear simultaneous equations. Applications.

##### **UNIT 4: FUNCTIONS OF TWO VARIABLES**

Geometric representation. Level curves. Partial derivatives. Young's theorem. Homogenous and homothetic and CES functions. Euler's theorem. Generalised chain rule and implicitly defined functions. Differentials. Convex sets. Concavity and convexity. Local maxima, minima and saddle points. Optimization of functions subject to equality constraints. Quasi concave and quasi convex functions.

##### **Suggested Readings:**

1. Sydsaeter, Knut & Hammond, Peter J.: Mathematics for Economic Analysis [Pearsons Education]
2. Chiang, A.C.: Fundamental Methods of Mathematical Economics [TMH]
3. Allen, R.G.D.: Mathematical Analysis for Economics [Macmillan]



## Semester – III

### C-5

#### PAPER NAME: MACROECONOMICS AND APPLICATIONS – I

##### **UNIT I. AN INTRODUCTION TO BASIC MACROECONOMICS CONCEPTS**

Treating GDP both as Income and Expenditure, Gross Domestic Product (GDP), Gross National Product (GNP), The Difference Between GDP and GNP, Net National Product, Personal Income, Personal Disposable Income, Components of GDP: Consumption, Investment, Government Purchases, Net Exports; Real and Nominal GDP: GDP Deflator.

##### **UNIT II. IS-LM MODEL**

The IS Curve and Goods Market Equilibrium: Derivation and Interpretation of Slope, the IS Curve and Fiscal Policy, Alternative Formulation of Goods Market Equilibrium, Savings-Investment Equality  
The Money Market: The bond price and interest rate - inverse relation, Money Supply Control by RBI (preliminary), The Demand for Money: The Liquidity Preference Theory - Speculative Demand, Determination of Interest Rate, and Transaction Demand for Money, The Liquidity Trap.  
Money Market and LM Curve - Derivation and Shifts, IS-LM Model Combined / Interaction, Fiscal Policy in IS-LM Model: Changes in G, Changes in Taxes, the Crowding-out effect, Monetary Policy: Expansionary & Contractionary, Monetary Transmission Mechanism.

##### **UNIT III. AGGREGATE SUPPLY AND AGGREGATE DEMAND MODEL**

##### **UNIT IV. INFLATION, UNEMPLOYMENT AND THE PHILLIPS CURVE**

The Concept of AS Curve, Deriving the Phillips Curve from the AS Curve, Two Causes of Rising and Falling Inflation, The Short-Run Tradeoff between Inflation and Unemployment, The Cost of Reducing Inflation: The Sacrifice Ratio, Rational Expectations and the Possibility of Costless Disinflation, Defining and Identifying Unemployment, Natural Rate of Unemployment, Short run and long run Phillips curve.

##### **UNIT V: RECENT DEVELOPMENT IN MACROECONOMICS**

- a) Economics of Great Events-Depression, Hyperinflation and Deficits
- b) Advances in Business Cycle Theory
- c) Real Business Cycles & New Keynesian Economics

##### **Suggested Readings**

1. D'Souza, E. (2008): "Macroeconomics", Pearson Education: New Delhi.
2. Blanchard, O. (2006) : "Macroeconomics" (IVth Edition), Pearson Education : New Delhi.
3. N. Gregory Mankiw (2006)-Vth Edition, Macroeconomics, Worth Publishers
4. Dornbusch Rudiger, Fischer Stanley and Startz Richard (2004)-IXth Edition, Tata McGraw-Hill
5. Froyen (2013): Macroeconomics:- Theories and Policies Pearson New Delhi
6. Government of India (GOI) (Latest Year) : "Economic Survey", Ministry of Finance: New Delhi

## Semester – III

### C-6

#### PAPER NAME: STATISTICS FOR BUSINESS ECONOMICS

##### **UNIT I: Introduction to Descriptive Sample Measures**

Types of data: quantitative and qualitative, discrete and continuous. Sample and population. Sigma notation. Measures of central tendency. Absolute and relative measures of dispersion. Moments. Measures of skewness and kurtosis. Sample measures and the degrees of freedom. Simple correlation. Rank Correlation. Estimating the sample linear regression function and its properties. Goodness of fit.

##### **UNIT II: Probability and Probability Distributions**

Review of counting rules. Experiments, sample space and event types. Joint and conditional probability. Addition and multiplication rules. Bayes' theorem. Discrete and continuous random variables and their distributions. Mass and density functions. Mathematical expectation and variance. Cumulative distributions. Joint distributions, marginal and conditional distributions. Covariance and correlation. Theoretical distributions. Discrete: uniform, bernoulli, binomial and poisson; Continuous: uniform, exponential and Normal. Distributions of linear combinations of random variables.

##### **UNIT III: Sampling and Hypothesis Testing**

Sample versus complete enumeration. Methods of sample selection: random, stratified, multistage, cluster. Statistics and parameters. Distribution of a statistic. Central Limit Theorem. Distribution of the sample mean, difference in means and the proportion. Desirable properties for Estimators. Point and interval estimates for the mean, difference in means, proportion and variance. Hypotheses and errors. Significance levels and p values. Testing hypothesis concerning the mean, difference in means, proportion and variance using the normal, chi square, t and F distributions.

##### **UNIT IV: INDEX NUMBERS**

Laspyres, Paasche index numbers. Bowley, Marshall Edgeworth and Fisher indexes. Fixed and chain base index numbers. Tests of adequacy. Base shifting, splicing and deflating. Construction of real indexes: Consumer Price Index and BSE index.

##### **Software Required:**

Spreadsheet software and a statistical package

##### **Suggested Readings:**

1. Nagar and Das: Basic Statistics,
2. Devore, Jay L., Probability and Statistics for Engineers, Cengage Learning
3. Karmel, P.H. & Polasek, M.: Applied statistics for economists
4. Spiegel, M.R.: Theory & Problems of Statistics, Schaum's outline series, McGraw Hill Pub.Co.
5. Spiegel, M.R.: Probability and Statistics
6. Freund: Mathematical Statistics

## Semester – III

### C-7

#### PAPER NAME: CORPORATE FINANCE

##### **Unit I: Introduction**

Nature of Financial Management, Finance and related disciplines, Scope of Financial Management, Profit Maximization, Wealth Maximization - Traditional and Modern Approach, Functions of finance – Finance Decision, Investment Decision, Dividend Decision, Objectives of Financial Management and Concept of Time Value of Money.

##### **Unit II: Long-Term Investment Decision**

Capital Budgeting - Nature and meaning of capital budgeting; Estimation of Relevant cash flows, Understanding computation of depreciation based on the concept of block of assets; Evaluation techniques - Accounting Rate of Return, Pay Back, Net Present Value, Internal Rate of Return, Terminal Value, Profitably Index Method.

##### **Unit III: Cost of Capital**

Concept and Measurement of Cost of Capital: Measurement of specific costs - Cost of debt, Cost of perpetual debt, Cost of Redeemable debt; Cost of Preference Share; Cost of Equity Capital – Dividend valuation model; Cost of Retained Earnings. Computation of Over-all Cost of Capital based on book value weights and market value weights.

##### **Unit IV: Financing Decision**

Leverage Analysis - Operating, Financial, and Combined Leverage, Earning Before Interest and Tax (EBIT) – Earning Per Share (EPS) analysis, Indifference point. Capital structures theories - Net income approach; Net operating income approach; Modigliani-Miller (MM) approach; Traditional approach. Dividend Decision: Relevance and irrelevance of dividends. Residual theory of dividends; Modigliani and Miller hypothesis; Walter's model; Gordon's model.

##### **Unit V: Short-Term Investment Decision**

Concepts and Definition of working capital; Determining Financing Mix; Permanent and temporary working capital; Determinants of working capital; Computation of Working Capital. Management of Cash – Motives of holding cash; Objectives of cash management; Factors determining cash needs; Preparation of Cash Budget based on Receipts and Payments method. Management of Receivables – Objectives; Collection cost, Capital cost, Default cost, Credit policies; Credit terms; Collection policies.

##### **Suggested Readings**

1. Khan, M.Y., & Jain, P.K. (2012). Basic Financial Management (3rd Edition) New Delhi Tata McGraw Hill Education Private Limited.
2. Chandra, Prasanna Financial Management-Theory and Practice, Tata McGrawHill.
3. Rustagi, R. P. Fundamentals of Financial Management, Taxmannpublication(Pvt) Ltd,New Delhi.
4. Pandey,I.M. (2010). Financial Management (10th ed.). New Delhi: Vikas Publishing House Pvt. Ltd.
5. Van Horne, J.C. Financial Management and Policy, Prentice Hall of India.
6. Levy, H. andSarnat, M. Principles of Financial Management,Prentice Hall.
7. Brealey, Richard, A., & Myers, Stewart, C. (2011). Principles of Corporate Finance

(10th ed.). New Delhi: Tata McGraw Hill Publishing Company Limited.

**Semester – IV**

**C-8**

**PAPER NAME: MACROECONOMICS AND APPLICATIONS – II**

**UNIT I: THEORIES OF CONSUMPTION AND INVESTMENT**

- a) Consumption Functions: Absolute Income Hypothesis, Relative Income Hypothesis
- b) Fisher's Inter-temporal Choice Model
- c) Life-Cycle and Permanent Income Hypotheses
- d) Business Fixed, Residential and Inventory Investments
- e) Theories of investment

**UNIT II: OPEN ECONOMY I – THE CONCEPTS**

- (a) Balance of Payments: Balance of Trade; Capital Account and Current Account
- (b) Trade Balance and Exchange Rates: Nominal Exchange Rate and Real Exchange Rate, PPP: Absolute and Relative Purchasing Power Parity; Devaluation and Revaluation; J-Curve

**UNIT III: OPEN ECONOMY II –THE MUNDELL-FLEMING MODEL**

Exchange Rate Regime: Perfect Capital Mobility under Fixed Exchange Rate; Perfect Capital Mobility under Flexible Exchange Rate; The effectiveness of Fiscal Policy and Monetary Policy in Mundell-Fleming model under different exchange rate regimes; Policy mix as optimal tool for internal and external balance under perfect capital mobility

**UNIT IV: ECONOMIC GROWTH**

- (a) Sources of Growth, Potential and Feasible Output
- (b) The Determinants of Long-Run Growth in Neo-classical (Solow) growth model – Growth effect and level effect
- (c) The Golden Rule of capital accumulation, Convergence and Poverty Traps
- (d) Endogenous Growth

**UNIT V: MONETARY AND FISCAL POLICY**

- a) Inflation Targeting
- b) The Design of Monetary Policy
- c) The Government Budget Constraint: The Arithmetic of Deficits and Debt, Current versus Future Taxes, the Evolution of Debt-to-GDP Ratio
- d) Issues in Fiscal Policy

**Suggested Readings**

1.D'Souza, E. (2008): "Macroeconomics", Pearson Education: New Delhi.

2. Blanchard, O. (2006) : “Macroeconomics” (IVth Edition), Pearson Education : New Delhi.
- 3.N. Gregory Mankiw (2005)-Vth Edition, Macroeconomics, Worth Publishers
- 4.DornbuschRudiger, Fischer Stanley and Startz Richard (Latest Edition): Macroeconomics
- 5.Charles Jones, Introduction to Economic Growth, (Latest Edition)
- 6.Froyen (2013): Macroeconomics:- Theories and Policies Pearson New Delhi

**Semester – IV**  
**C-9**

**PAPER NAME: BASIC ECONOMETRICS**

**UNIT I:Classical Linear Regression Model**

Types of Data : Time Series, Cross Section and Panel Data. Concept of PRF and SRF.Estimation of the SRF using OLS. Analysis of variance and R squared. Assumptions of the model.Expectation and standard errors of the regression coefficients and the error term.Gauss Markov Theorem.Interval estimation and tests on population regression coefficients, variance of population disturbance term, and forecasts.Testing the significance of the model as a whole.Testing the normality assumption.

**UNIT II:Multiple Regression Model**

The three variable case. Derivation of the coefficients and their properties.Interval estimation and coefficient and model significance.Correlations. Goodness of fit and the Adjusted R square. Hypothesis testing for significance of the contribution of a variable, structural stability, Restricted least squares.

**UNIT III:Functional Forms and Dummy Variables:**

Regressions in deviation form and through the origin. The double log, semi-log, reciprocal, log-reciprocal models with applications. Intercept, Slope Dummy variables. Interaction between qualitative variables.Interaction between quantitative and qualitative variables.Use of dummy variables in testing for structural change and for seasonal indexes.

**UNIT IV:Relaxing the Assumptions:**

Introduction to multicollinearity,heteroscedasticity, autocorrelation and specification errors. The nature of the problem, its detection and corrective measures.

**Required Software**

Spreadsheet software and an econometric package such as Gretl, Eviews, SPSS

**Suggested Readings:**

1. Christopher Dougherty, Introductory Econometrics 3rd Edition Oxford University Press (2007)
2. Gujarati ,Damodar : Basic Econometrics , 3rd edition Mc.Graw Hill, New Delhi (1995)
3. Ramanathan, Ramu : Introductory Econometrics With Applications. Thomson South Western (2002)
4. Pindyck ,Robert S. and Daniel L. Rubinfeld. “Econometric Models and Economic Forecasts.”. McGrawHill, 3rd Edition, Singapore (1997).
5. Wonnacott, R.J. and Wannacott, T.H: Econometrics , John Wiley. France (latest edition)



**Semester – IV**

**C-10**

**PAPER NAME: MARKETING MANAGEMENT**

**UNIT I: INTRODUCTION**

Importance and Scope of Marketing, Core Marketing Concepts, Company Orientations, Marketing Myopia

**UNIT II: MARKETING ENVIRONMENT AND COMPETITIVE ANALYSIS**

Marketing Environment: Scanning the Indian Marketing Environment: Economic, Demographic, Socio-cultural, Technological, Political and Legal.

Competitive Analysis: Michael Porter's Model of Competitive analysis, BCG Matrix, ANSOFF Matrix, SWOT Analysis.

**UNIT III: SEGMENTATION, TARGETING AND POSITIONING**

Market Segmentation: Levels of segmentation, Marketing segmentation Procedure, Bases for segmenting Consumer Markets, VALS segmentation, Effective segmentation

Market Targeting: Evaluating and Selecting Market Segments.

Positioning: Positioning Statement, determining which positioning to promote, positioning possibilities, Points-of-Parity, Points-of-Difference

**UNIT IV: PRODUCT**

Product life cycle: The Concept and its Strategic Implications, Product Mix: Levels, Hierarchy, Classifications, Mix.

Product line decisions: Product Line Analysis, Product Line Length, Line Modernization, Featuring, Pruning.

Differentiation: Differentiation tools: Product, services, personnel, channel, image differentiation.

Branding: Brand decisions, building brand identity, Brand Equity, Branding Challenges, Brand Name Decisions, Brand Building Tools, Devising a Branding Strategy, Brand Repositioning

Services: Characteristics of services.

**UNIT V: PRICING**

Significance of pricing, factors influencing pricing, pricing objectives, Pricing Strategies and Procedure, psychological pricing

**UNIT VI: DISTRIBUTION**

Channels: Channel Functions and Flows, Channel Levels, Channel Integration and Systems (Vertical Marketing System, Horizontal Marketing System, Integrated Multichannel Marketing System)

Retailing: Types of retailers, marketing decisions in retailing

Wholesaling: Types of wholesalers

## **UNIT VII: PROMOTION**

Promotion Mix, Factors affecting Promotion Mix, concept of Integrated Marketing Communication

Advertising: advertising objectives, advertising budget, message generation, Media (types, reach frequency, impact) and measuring advertising effectiveness.

Sales promotion (Objectives, Advertising versus Promotion, Major Decisions in sales promotion), Events and Experiences, Public Relations and Publicity (Marketing Public Relations, tools), Direct Marketing, Interactive Marketing(introduction to online marketing), Word of Mouth, Personal selling (Principles of personal selling, Negotiation).

## **UNIT VIII: EMERGING TRENDS IN MARKETING**

Ethics in Marketing, Relationship marketing, Holistic marketing, Green marketing, Political marketing, Rural marketing, People, Processes and Physical Evidence as other 'P's of Marketing Mix.

**Note: Case Study and Case Lets of Indian context must be included in teaching methodology.**

### **Suggested Readings:**

1. Kotler, P. & Keller, K. L. (2012). Marketing Management (14th ed.). Pearson.
2. Kotler, P., Armstrong, G., Agnihotri, P. Y., & UIHaq, E. (2010). Principles of Marketing - A South Asian Perspective. (13th ed.). Pearson.
3. Ramaswamy, V.S., Namakumari, S. (2009). Marketing Management: Global Perspective- Indian Context. (4th ed.). Macmillan Publishers India Limited.
4. Iacobucci, D Marketing Management, Cengage Learning (2013).
5. Etzel, Michael J, Walker, Bruce J, Stanton William J and Pandit, Ajay (2009). Marketing (14th ed.). Tata McGraw Hill.



**Semester – V**  
**C-11**

**PAPER NAME: QUANTITATIVE TECHNIQUES FOR MANAGEMENT**

**UNIT I: INTRODUCTION TO OPERATIONS RESEARCH AND LINEAR PROGRAMMING**

**(i) Introduction**

Operations research, Meaning of a model, steps in building of a model.

**(ii) Linear Programming**

Linear Introduction, terminology and applications, Mathematical formulation of a linear programming problem, Graphical solution, Algebraic method (Simplex method) – Maximization and minimization cases (single and mixed constraints), Application of Linear Programming in portfolio optimization, risk minimization and efficiency analysis.

**UNIT II: TRANSPORTATION & ASSIGNMENT**

**(i) Transportation**

Introduction, Balanced & Unbalanced Problem, formulation as Linear Programming Problem and solution using excel solver, Initial basic feasible solution (only LCM & VAM methods), Test of optimality and optimal solution, Stepping Stone and MODI methods)

Note: Exclude special degeneracy and prohibited routes.

**(ii) Assignment**

Introduction, Balanced and unbalanced assignment problem, formulation as Linear Programming problem and solution using excel solver, Solution using Hungarian assignment method

**UNIT III DYNAMIC PROGRAMING AND INTEGER PROGRAMMING**

**(i) Dynamic Programming:** Meaning, applications, Construction and problem solving in stages deterministic and probabilistic programming

**(ii) Integer Programming:** Integer programming: Formulation & solution through GomorryCutmethod, Applications to Production planning & Advertising Media selection.

**UNIT IV: THEORY OF GAMES, SIMULATION & MARKOV PROCESSES**

**(i) Game Theory:** Introduction and basic terminology, Pure strategy games (including identification of saddle point and value of the game), Principle of dominance, Mixed strategy games, Formulation as a linear programming problem.

**(ii) Simulation & Markov Processes:** Introduction and applications, Problem Solving using Monte Carlo method and Random numbers. One and two steps transition probabilities Matrix (with Applications on credit rating, brand switching, Predicting Future Market Shares, Equilibrium Conditions. Limiting probabilities, Chapman Kolmogorov equation.)

**UNIT V: NETWORK ANALYSIS**

Meaning and applications, Fundamental concepts & Construction, Time estimates in network analysis –earliest finish, latest finish, critical path, Float (Independent, free and total float), Programming Evaluation review technique (PERT) – three time estimates, Standard deviation and probability of project completion within a scheduled time, Direct and indirect cost, Time-cost tradeoff – Crashing of activities.

**Note:** A relevant software/package may be used to teach applications of problems for different units in the paper

**Suggested Readings:'**

1. Vohra N.D. (2006) Quantitative techniques in management 3rd Ed , Mc. Graw Hill Co.
2. KantiSwarup, P.K. Gupta and Man Mohan(2001). *Operations Research* (9th ed.).Sultan Chand & Sons.
3. Hamdy A. Taha (2007). *Operations Research-An Introduction* (9th ed.). Prentice Hall.
4. Sharma J K (2013). *Operations Research : Theory and Applications*,(5th ed..Macmillan India Ltd.

**Guidelines**

The lecture should be divided in to 80:20. For every 3-theory lecture one practical sessions using excel solver must be held in a batch of 15-20 Students. Students should be evaluated for practical session in form of internal assessment.

Semester – V

C-12

**PAPER NAME: ORGANIZATION BEHAVIOR**

**Unit I: Introduction**

Concept of OB; Management roles, skills and activities; Disciplines that contribute to OB; Opportunities for OB (Globalization, Indian workforce diversity, customer service, innovation and change, networked organizations, work-life balance, people skills, positive work environment, ethics)

**Unit II: Individual Behavior**

**Learning, attitude and job satisfaction:**

Concept of learning, conditioning, shaping and reinforcement  
Concept of attitude, components, behavior and attitude  
Job satisfaction: causation; impact of satisfied employees on workplace  
Comparison of job satisfaction amongst Indian employees with other cultures

**Motivation:**

Concept; Theories (Hierarchy of needs, X and Y, Two factor, McClelland, Goal setting, Self-efficacy, Equity theory); Job characteristics model; Redesigning job and work arrangements; Employee involvement; Flexible benefits, Intrinsic rewards

**Personality and Values:**

Concept of personality; MBTI; Big Five model.  
Relevance of values; Indian values; Linking personality and values to the workplace (person-job fit, person-organization fit)

**Perception, Decision Making and Emotions:**

Perception and judgments; Factors; Linking perception to individual decision making; Decision making in organizations, Ethics in decision making.  
Emotional labour; Emotional Intelligence

**Unit III: Group Behavior**

**Groups and Work Teams:**

Concept; Five stage model of group development; Group think and shift;  
Indian perspective on group norms  
Groups and teams; Types of teams; Creating team players from individuals;  
Team building and team based work (TBW).

**Leadership:**

Concept; Trait theories; Behavioral theories (Ohio and Michigan studies); Contingency theories (Fiedler, Hersey and Blanchard, Path-Goal); Authentic leadership; Mentoring, self-leadership, online leadership; Inspirational Approaches (transformational, charismatic); Comparison of Indian leadership styles with other countries.

Exercises, games and role plays may be conducted to develop team and leadership skills.

#### **Unit IV: Organizational Culture and Structure**

Concept of culture; Impact (functions and liability); Creating and sustaining culture; Employees and culture; Creating positive and ethical cultures.

Concept of structure; Prevalent Organization designs; New design options.

#### **Unit V: Organizational Change, Conflict and Power**

Forces of change; Planned change; Resistance; Approaches (Lewin's model, Organization development); Learning organization; Organizational change in Indian businesses.

Concept of conflict; Traditional view and integrationist's view of conflict; Conflict process; Functional/Dysfunctional. Introduction to power and politics

#### **Suggested Readings:**

1. Luthans Fred., "Organizational Behaviour", McGraw Hill.
2. Hellriegel, Slocum and Woodman, Organisational Behavior, South-Western, Thomson Learning, 9th edition, 2001.
3. Behavior In Organizations, Jerald Greenberg, 8th ed, Pearson Education.
4. Arnold, John, Robertson, Ivan t. and Cooper, Cary, I., "Work psychology: understanding human behavior in the workplace", Macmillan India Ltd., Delhi.
5. Dwivedi, R. S., "Human relations and organizational behaviour: a global perspective", Macmillan India Ltd., Delhi.
6. Stephen P. Robbins, Timothy A. Judge and Seema Sanghi, "Organisational Behaviour", 13th Ed, Pearson Education ltd.

**Semester – VI**

**C-13**

**PAPER NAME: INTERNATIONAL ECONOMICS**

**UNIT I: Basis of Trade and Gains from Trade**

**Classical Trade Theories:**

Mercantilism (a brief introduction of Mercantilists view on international trade), Absolute advantage theory, Comparative advantage theory, Opportunity Cost Theory

**Neo-classical Trade Theories:**

Heckscher Ohlin (H-O) Theorem, Factor price equalization, Stolper Samuelson Theorem and income distribution, Rybczynski theorem, Leontief paradox and Factor Reversal.

**UNIT II: Trade Policies and International Negotiations**

Instruments of Trade Policy: Tariff and Non - tariff barriers, cost and benefit analysis of tariff, Effective rate of protection and welfare arguments of tariff and developing countries. Economic Union and Free trade area. Evaluation of WTO from GATT (a brief Description), Basic Principles of WTO, Current Rounds, Regionalism vs. Multilateralism

**UNIT III: Financial Arrangements Governing International Trade and Capital flows**

International financial system: Fixed, Flexible and Managed floating exchange rate regimes, working of international financial system under Gold standard, Brettonwoods system and post- Brettonwoods. IMF and creation of SDR. International capital flows, FDI vs FII, Investment strategies of FII, Foreign investment with special reference to Developing Countries. Payment Terms and Methods of Financing International Trade (Letter of Credit, Forfaiting, Factoring, Credit Lines)

**UNIT IV: Foreign Exchange Market and Principles of Transactions**

Spot forex market, communication in forex markets, currency Quotes and types, calculation of forward rates using spot rates, discount/premium on spot rate. Spot rate with and without transaction costs, Arbitrage, Types of Arbitrage.

Derivative markets: forward, future contracts, margin adjustment for futures, currency options- types, intrinsic value, payoff profiles on futures and options, interest swaps, currency swaps, caps, floors and collars, forward rate agreements.

**UNIT V: Exchange Rate Determination and Exposures**

Interest rate determination: interest rate parity and purchasing power parity, currency overshooting and fisher effect. Nominal and real exchange rate, stability of foreign exchange market and Marshall-Lerner condition, 'J'- curve effect.

Foreign exchange exposure: statistical measurement of foreign exchange exposure, transaction, economic and translation exposure, managing these exposures and hedging strategies adopted in international trade.

**Suggested Readings:**

1. Salvatore-International Economics-8th Edition
2. JagdishBhagwati, T.N. Srinivasan: Lectures on International Trade, MIT Press
3. W.M.Corden Trade Policy and Welfare, Clarendon Oxford.
4. Handbook of Development, Trade & WTO: World Bank Publication.
5. Paul Krugman and Maurice Obstfeld: International Economics, 10th Edition: Pearson
6. Levi, Maurice: International Finance, McGraw Hill Inc., New York, 1996
7. Madura, Jeff : International Financial Management, 12th Edition, Cengage Learning

8. Shapiro, Allen C., Multinational Financial Management, Prentice Hall India Pvt Ltd., New Delhi, 1995.
9. Apte, P. G., Multinational Financial Management, Tata-McGraw Hill, New Delhi, 1998.

## Semester – VI

### C-14

#### PAPER NAME: LEGAL ASPECTS OF BUSINESS

#### **UNIT I: INDIAN CONTRACT ACT, 1872**

Contract – meaning, essentials and kinds. Offer, Acceptance, Consideration-essentials and exceptions, Capacity of parties, Free consent, Modes of discharge of a contract, Remedies for breach of a contract

#### **UNIT II: THE SALE OF GOODS ACT, 1930**

Meaning and essentials of Contract of Sale, Sale and Agreement to Sell, implied Conditions and Warranties, Transfer of Property in Goods, Unpaid Seller and his Rights.

#### **UNIT III: COMPANIES ACT, 2013**

Company - meaning, kinds, formation of accompany- promotion, incorporation, on-line registration, commencement of business. Memorandum of association, Articles of Association and Prospectus. Company Meetings and Resolutions. Winding up of a Company – Meaning and modes of winding

#### **UNIT IV: CONSUMER PROTECTION ACT, 1986**

Scope and applicability of the Act, Consumer - consumer of goods and consumer of services. Rights of a consumer, Unfair and Restrictive Trade Practices. Complaint- meaning, relief available to a consumer, Consumer Protection Councils, Consumer Disputes Redressal Agencies - District Forum, State Commission and National Commission.

#### **UNIT V: COMPETITION ACT, 2002**

Scope and applicability of the Act, Definitions. Prohibition of certain agreements, abuse of dominant position and regulation of combinations. Competition Commission of India- Composition, duties and powers and Competition Appellate Tribunal- Composition and powers.  
Appeal to Supreme Court.

#### **UNIT VI: INTELLECTUAL PROPERTY RIGHTS**

**Patents Act, 1970-** Objectives, meaning of Patent and Invention, Procedure for obtaining a patent, Surrender and Revocation of patents

**Trademarks Act, 1999-** Purpose, meaning of a trademark, goods and service; Conditions for registration of trademark, procedure of registration, Effects of registration, Certification Trademarks

**Designs Act, 2000** – Definition of Design and Article, registration of Designs, Copyright in registered designs, inspection and cancellation of registered designs, piracy of registered design

**Note: The leading cases should be discussed at relevant places. Latest amendments to these laws may be covered.**

#### **Suggested Readings:**

1. Kuchhal, M.C. & Vivek Kuchhal, “Business Legislation for Management”, Vikas Publishing, House (P) Ltd., New Delhi.
2. Chadha, R., Chadha, S., “Corporate Laws”, Mayur Paperbacks, New Delhi.

3. Bansal, V. and Arora, A., “Corporate Law”, Vikas Publishing, House (P) Ltd., New Delhi.
4. Kumar, A., “Corporate Laws”, International Book House (P) Ltd.
5. Gulshan, S.S.” Business Law”, Excel Books
6. Bare Acts relating to the laws.

*Elective : Discipline Specific (DSE) BA (Hons) Business Economics	
Semester : V/VI	
DSE-1 Economic Growth & Development	DSE-2 Industrial Economics
DSE-3 Investment And Risk Management	DSE-4 Research Methods in Business Economics
DSE-5 Indian Economy	DSE-6 Environmental Economics
DSE-7 Indian Financial Markets and Services	DSE-8 Advertising & Consumer Behavior

**Semester – V/VI**

**DSE-1**

**ELECTIVE PAPER NAME: ECONOMIC GROWTH & DEVELOPMENT**

**UNIT I: ECONOMIC DEVELOPMENT - DEFINITIONS AND CONCEPTS**

Introduction to the concept of Economic Development, Distinction between Growth and Development, Common characteristics of developing countries, Sen's Capabilities Approach

**UNIT II: GROWTH MODELS**

Harrod-Domer Growth Model, The basic Solow Model, Solow model with technology, Convergence: Conditional and Unconditional, Alternate theories of Endogenous Growth, Lewis Model

**UNIT III: HUMAN CAPITAL-EDUCATION, INTELLECTUAL CAPITAL & POVERTY**

Educational Investment in Human Capital, Education, Health and Economic Development, Income inequality and its measurement, Concept of relative and absolute poverty

**UNIT IV: TECHNOLOGICAL PROGRESS**

Introduction to Economic Growth, Externalities, technical progress and growth, Total factor productivity, Capital and Labor saving technical progress, financing development from domestic resources, International trade and International Inequality

**UNIT V: STATE AND THE MARKET**

Role of Government, Infant industry argument, Market failure, Government Failure, Structural adjustment facility of International Monetary Fund, World Bank, Experience of South East Asia and Latin America Countries  
**MARKET FOR LAND AND CREDIT**

**References:**

1. Debraj Ray, Development Economics, 1st edition, Oxford University Press
2. Charles Jones, Introduction to Economic Growth, Norton, W. W. Norton & Company, 2<sup>nd</sup> Edition
3. Meier, Leading Issues in Economic Development, Oxford University Press, 5th edition
4. Michael P. Todaro, Economic Developments, The Pearson Series in Economics, 7th edition.
5. F Hayami, Development Economics, Oxford University Press, 2nd edition
6. A.P. Thirwall, Growth and Development, Palgrave Macmillan, 7th edition



**Semester – V/VI**

**DSE-2**

**ELECTIVE PAPER NAME: INDUSTRIAL ECONOMICS**

**UNIT I: STRUCTURE - CONDUCT - PERFORMANCE PARADIGM**

- Definition of Industrial Economics, The Structure, Conduct, Performance model/framework with and without feedbacks and its critique, Schools of thought: The Harvard, Chicago and Austrian Schools
- The Firm: Principal-Agent problem, Hold Up Problem, Tapered Integration, Franchising, Sustainable Competitive Advantage, Casual Ambiguity

**UNIT II: MARKET STRUCTURE, POWER AND CONCENTRATION**

- Theories of Measurement of Concentration: deterministic and Stochastic Approach
- Lerner and Herfindahl Index, Concentration and Market Power: Theory and Empirical Estimation, Conduct and Market Power: Empirical Estimation, Collusion and Efficiency Hypothesis

**UNIT III: BARRIERS TO ENTRY**

- Entry Cost and Market Structure, Endogenous versus Exogenous Entry Cost, Free Entry and Social Welfare
- Strategic Behavior, Entry and Exit: Entry deterrence, Predation, Mergers and Acquisitions

**UNIT IV: VERTICAL INTEGRATION, PRODUCT DIFFERENTIATION AND ADVERTISING**

- Double Marginalization and Two Part Tariffs, Retailers Competition, Investment Externalities, Indirect control, Manufacturer Competition, Vertical Restraints
- Horizontal and Vertical Differentiation, Product differentiation and Market power, Product Positioning, Imperfect Information and Switching cost

**UNIT V: TECHNICAL PROGRESS & PERFORMANCE**

- Market Structure and Incentives for Research and Development, The Dynamics of R&D Competition, Public Policy, Organizational Inertia, Patent and Copyright Protection

**References:**

1. Roger Clarke, Industrial Economics (Oxford: Basil Blackwell, 1985)
2. Luis M Cabral, Introduction to Industrial Organization, The MIT Press
2. Stephen Martin, Industrial Economics, Blackwell Publishers
3. Ferguson and Ferguson, Industrial Economics.
4. Stephen Martin, Advanced Industrial Economics



## Semester – V/VI

### DSE-3

#### ELECTIVE PAPER NAME: INVESTMENT AND RISK MANAGEMENT

##### Part A: Investment Management

###### **UNIT I: PORTFOLIO THEORY AND MANAGEMENT**

Meaning of Investment, Type of Financial Assets, Risk and Return Concepts, Mean Variance Framework, Markowitz Model and Modern Portfolio Theory. Portfolio Diversification Concepts, Beta of a stock, Systematic and Unsystematic Risk , SML, CML , Market model/ Single Index Model , CAPM and its empirical testing.

###### **UNIT II: VALUATION MODELS AND MARKET EFFICIENCY `**

Dividend Discount Models: Discounted Cash Flow Approach, One, two and Multi Stage Growth Models, Price Earnings Approach to stock valuation

Market Efficiency: Forms of market efficiency (weak, semi strong & Strong) , The Random Walk Model, Overview of Fundamental and Technical Analysis

###### **UNIT III: FUND MANAGEMENT**

Introduction, Calculation of NAV of a Fund, Classification of Mutual Fund Schemes (Open end & closed end, income & growth schemes, sectorial schemes, index Schemes, Fund of Funds Schemes), Tactical Asset Allocation and Portfolio Rebalancing.

Measuring Performance of mutual fund schemes (Sharpe, Treynor, and Jensen, Information and M2 Ratios), Tracking Error, Downsize Risk, Sortino Ratio, Diversification vs. asset allocation, benchmarking mutual fund performance.

##### Part B: Risk Management in Financial Markets

###### **UNIT V: RISK MANAGEMENT THROUGH BONDS**

Bond Basics, Concept of a yield, Valuation of Bonds, Different ways of Computing Yield (Current yield, holding yield and Yield to maturity (YTM)), yield curve, Basic Theorems of Bond Valuation and Term Structure. Risk in Bonds, Interest rate and default risk, Risk Structure of Interest Rates, Bond Duration, Modified Duration, Bond Convexity, Immunization and Rebalancing of Bond Portfolios

###### **UNIT VI: RISK MANAGEMENT THROUGH DERIVATIVES:**

Meaning and Types, Stock Futures, Commodity Futures, Hedging/Risk Management through futures and payoffs, Options, In the money, At the Money and Out of Money Options, Option Payoffs, Forwards and its difference with futures, Simple Futures and Options Combination Strategies (Neutralizing the risk, Spread, Straddle, Collars, Covered call, and Put Call Parity), factors affecting option premium, option pricing models (Binomial & Black Scholes Model)

##### **Suggested Readings:**

1. Brealey, R and S.C.Myers (2000)., Principles of Corporate Finance; 6th Edition Mc. Graw Hill, New York
2. Chandra, Prasanna Investment Management, Latest Edition Mc. Graw Hill, New Delhi.
3. Khan, M.Y ‘Indian Financial System’ Latest Ed., Tata McGraw Hill, New Delhi.

4. National Stock Exchange of India (2003). 'Indian Securities Market: A Review' 6th Edition NSE, Mumbai
5. Rustagi R.P, (2007). Investment Management: Theory and Practice: 2nd Edition Sultan Chand and Co. New Delhi
6. S.G. Eakins, S.G. (1999) 'Finance: Investments, Institutions and Management', Addison Wesley Longman Inc, USA.
7. Shahani, Rakesh (2014) 'Financial Markets in India: A Research Initiative', Anamica Pub Co, Delhi
8. RanaNisha et. al (2015) Emerging Trends in Business & Management: Shaping the future , Anamica Pub Co. Delhi
9. Schaum's Outline Series, Theory and Problems of Investments: Latest Edition, Mc. Graw Hill
10. Singh Preeti, (2006), Fundamentals of Investment Management, Himalaya Publishing House

## Semester – V/VI

### DSE-4

#### ELECTIVE PAPER NAME: RESEARCH METHODS IN BUSINESS ECONOMICS

##### **UNIT I: RESEARCH DESIGN**

Research objectives: designing questionnaire (leading, loading and personal questions sequencing): Measurement Scale (Graphic Rating, Likert, paired comparison, ranking, constant sum, semantic differential scale): ANOVA, Cluster, Discriminant and Factor Analysis

##### **UNIT II: NON-PARAMETRIC TESTS**

Wilcoxon, Kolmogorov-Smirnov and Kruskal Wallis test

##### **UNIT III: USE OF SECONDARY DATA SOURCES**

CSO, NSSO, RBI, IMF, World Bank, UN Data, Federal Reserve and other central Banks, UNCTAD,

##### **UNIT IV: SURVEY DATA ANALYSIS**

LPM, Logit, Probit and Tobit Models

##### **UNIT V: TIME SERIES**

Unit Root & Detection of Non Stationarity in Data: Level, Difference and trend stationarity, Causality & Co-integration, VECM. Auto Regressive Models: Volatility Clustering: ARCH and GARCH Effects

##### **UNIT VI: PANEL DATA**

Introduction to Panel Data, Incorporating Fixed and Random Effects

##### **References:**

1. Household Surveys in Developing and Transition Countries: Design, Implementation and Analysis: James R. Chromy & Savitri Abeyasekera: Chapter 19 Statistical analysis of survey data:
2. Basic Econometrics: Damodar N. Gujarati
3. Statistics in a Nutshell: Sarah Boslaugh
4. Doing Economics: A Guide to Understanding and Carrying Out Economics: Steven A. Greenlaw
5. Probability and Statistics for Engineering and the Sciences: Jay L. Devore
6. Applied Econometric Time Series, 3rd Edition: Walter Enders
7. Econometrics Streamlined, Applied and e-Aware: Francis X. Diebold
8. Wooldridge, J.M.: "Introductory Econometrics: A Modern Approach", Cengage Learning 3rd Edition: New Delhi. (2007)
9. Pindyck, Robert S. and Daniel L. Rubinfeld. "Econometric Models and Economic Forecasts." McGrawHill, 3rd Edition, Singapore (1997).

**Guidelines:** The lecture should be divided in theory and Practical Sessions. For every 4-theory lecture 2 practical sessions must be held in a batch of 15-20 Students. Any one of the statistical packages (Stata, Eviews, Gretl) can be used depending upon the availability. The Marking scheme would be 50 Marks for the Project report and 25 Marks for Practical Examination. 25 Marks would be for internal assessment as in other papers.

The Project report has to be written using the techniques taught in the semester. It could be from Economics, Finance, Marketing, and Public Policy etc. Any of the secondary data sources can be used or a field survey can be done. The project report has to be written in a group of 3-5 students and students must decide their topic and project supervisor accordingly in the beginning of the semester.

**Semester – V/VI**

**DSE-5**

**ELECTIVE PAPER NAME: INDIAN ECONOMY**

**UNIT I: INDIA FROM INDEPENDENCE TO LIBERALIZATION**

An overview of the economic developments during the period 1947-1980; Objectives and strategies of planned economic development and the role of the State; Slowdown in growth since mid 1960; Changes in policy emphasis from growth to distribution; Green revolution.

**Readings:**

1. “The recovery of India: economic growth in the Nehru era”, ‘Economic and Political Weekly’, November 10-17, 2007
2. India's Tryst With Destiny- By:JagdishBhagwati and ArvindPanagariya ( pages 4-5, 32-38)

**UNIT II: INDIA SINCE 1980's (LIBERALIZATION AND BEYOND): OVERVIEW**

India Circa 1980. Policy Changes since 1980s.The 1990 Crisis. Why Liberalization? Causes and Effects. Regional differences.Industry and Firm size. Manufacturing and Services. Institutions and Infrastructure.

**Readings:**

1. An Uncertain Glory: India and Its Contradictions by Jean Dreze (Author), Amartya Sen Chapter 2 and 3

**UNIT III: MACRO TRENDS SINCE 1990**

Growth, Savings and Investment, Population, Employment, Regional differences, Monetary and Financial trends

**Readings:**

1. Rakesh Mohan (2008), Growth Record of the Indian Economy, 1950-2008: A story of Sustained Savings and Investment, EPW, May 10.
2. India's Labour Market during the 2000s- Surveying the Changes, EPW, Dec 22 2012
3. K. James, 2008, “Glorifying Malthus: Current Debate on Demographic Dividend in India”, Economic and Political Weekly, June.
4. MihirRakshit (2009), India amidst the Global Crisis, EPW March 28.

**UNIT IV: INDIAN AGRICULTURE SINCE 1990**

Post Green Revolution agriculture; Production and productivity crisis in agriculture; Regional differences; Food Security, PDS system and Malnutrition.

**Readings:**

1. Bharat Ramaswami (2007), Public Distribution System in KaushikBasu (ed), The Oxford Companion to Economics in India pp.430-33 3. R. Radhakrishna (2005), Food and Nutrition Security of the Poor, EPW, 30 April
2. SEKHAR, C S C- Indian agriculture: A review of policy and performance. YOJANA (NEW DELHI), V.58, 2014(Jun, 2014): P.32-36
3. RAMESH CHAND- Dissecting agricultural performance since mid 1990s. YOJANA (NEW DELHI), V.58, 2014(Jun, 2014): P.10-15

## **UNIT V:**

- (a) Industry, Foreign Trade and Foreign Capital Since 1990.
- (b) Role of Services and Infrastructure in Economic Development

### **Readings:**

1. PulinNayak (2007), Privatization, in KaushikBasu (ed), The Oxford Companion to Economics in India, pp. 426-30.
2. India's Tryst With Destiny- By:JagdishBhagwati and ArvindPanagariyaCh 10( pages 162-168)
3. C. Veeramani (2012) "Anatomy of India's Merchandise Export Growth, 1993-94 to 2010-11", Economic and Political Weekly, Vol XLVII (1), pp 94-104.
4. RupaChanda 2012, Services led Growth, in NOC.

**Semester – V/VI**

**DSE-6**

**ELECTIVE PAPER NAME: ENVIRONMENTAL ECONOMICS**

**UNIT I: ENVIRONMENTAL PROBLEMS AND ISSUES**

Role of Economics in Environmental Management

Environmental Problems: Public Goods and Externalities -Analyzing Market Failure.

**UNIT II: SOLUTIONS TO ENVIRONMENTAL PROBLEMS**

1. Conventional Policy – Environmental Standards, Efficiency of Environmental Standards, Command and Control Approach
2. Market Based Policy – Pollution Charges and Environmental Subsidies, Deposit Refund System, Pollution Permit Trading Systems
3. Environmental Regulations in India

**UNIT III: ANALYTICAL TOOLS FOR ENVIRONMENTAL PLANNING**

1. Environmental Risk Analysis – Concept of Risk, Risk Assessment and Risk Management
2. Assessing Benefits for Environmental Decision Making – Environmental Benefits – Conceptual Issues, Approaches To Measuring Environmental Benefits – Physical Linkage Approach, Behavioral Linkage Approach – Direct and Indirect Estimation Methods
3. Benefit – Cost Analysis

**UNIT IV: SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL ACCOUNTING**

1. Sustainable Development – Concept and Measurement
2. Environmental Accounting – Concept, Common Property Resources and LDCs

**UNIT V: GLOBAL ENVIRONMENTAL MANAGEMENT**

1. International Trade and International Agreements
2. A Case of Global Air Quality- Policies for Ozone Depletion and Global Warming

**Suggested Readings:**

1. Thomas Callan, (2007) - Environmental Economics, Thompson Learning Inc. Indian Edition
2. R. N. Bhattacharya: Environmental Economics, An Indian Perspective (Edited), 2001 Oxford University Press
3. Charles D. Kolstad (2014) - Intermediate Environmental Economics - OUP Indian Edition
4. ParthaDasgupta (2007) - Measuring Sustainable Development: Theory and Application, Asian Development Review, vol.24, no.1, pp.1-10
5. Robert M. Solow, Sustainability: An Economist's Perspective (this paper was presented at the Eighteenth J. Steward Johnson Lecture to the Marine Policy Centre, Woods Hole Oceanographic Institution, at Woods Hole, Massachusetts, on June 14, 1991.
6. Robert Solow, An Almost Practical Step Toward Sustainability,( this paper was first presented at the Resource and Conservation Centre in Washington, D.C. on October 8, 1992, on the Occasion of the Fortieth Anniversary of Resources for the Future
7. William Nordhaus, (2007), Critical Assumptions in the Stern Review on Climate Change, Science vol. 317, 13 July
8. Nicholas Stern and Chris Taylor, (2007), Climate Change: Risk, Ethics, and the Stern Review, Science, vol. 317, 13 July
9. Economic Survey, Government of India, Chapter – 12 - 2012-2013 & 2013-14
10. International Journal of Business and Economics, 2003, Vol. 2, No. 1, 9-26; Compliance to Environmental Regulations: The Indian Context KerenPriyadarshini and Indian Institute of Management, Ahmedabad, India Omprakash K. Gupta Department of Management and Marketing, Prairie View A&M University, U.S.A



**Semester – V/VI**

**DSE-7**

**ELECTIVE PAPER NAME: INDIAN FINANCIAL MARKETS AND SERVICES**

**UNIT I: FINANCIAL MARKETS IN INDIA**

Role and Importance of Financial Markets, Major Instruments traded in financial markets: Equity Shares, Debentures, Bonds & Derivatives, Financial Markets vs. Capital Markets vs. Stock Markets, Linkages Between Economy and Financial Markets, Integration of Indian Financial Markets with World Markets, Players in Financial Markets, Role of Regulator (RBI and SEBI)

**UNIT II: PRIMARY MARKET FOR CORPORATE SECURITIES IN INDIA**

Issue of Corporate Securities: Public Issue through Prospectus, Green shoe option, Offer for sale, Private Placement Rights Issue, On-Line IPO, Book Building of Shares, Disinvestment of PSU, Employees Stock Options, Preferential Issue of Shares, Venture Capital, Private Equity, Performance of Primary Market in India, Institutional Interest in Public Issues, measuring success of an IPO.

Corporate Listings: Listing and Delisting of Corporate Stocks

**UNIT III: SECONDARY MARKET IN INDIA**

Introduction to Stock Markets: Regional and Modern Stock Exchanges, International Stock Exchanges, Demutualization of exchanges, Competition amongst major exchanges in India, Raising of funds in International Markets : ADRs and GDRs, FCCB and Euro Issues

Indian Stock Indices and their construction, free float vs. full float methodology, Classification of Securities to be included in the Index, impact of corporate actions (rights, bonus and stock split) on index

Bulls and Bears in Stock Markets, Factors influencing the movement of stock markets, indicators of maturity of stock markets.

Trading of securities on a stock exchange: Selection of broker, capital and margin requirements of a broker, MTM and VaRMargins ,kinds of brokers, opening of an account to trade in securities, DEMAT System, placing an order for purchase/sale of shares, margin trading and margin adjustment , contract note, and settlement of contracts , rolling and traditional (weekly) settlement systems

**UNIT IV: MONEY MARKETS & DEBT MARKET IN INDIA**

Money Market: Meaning, role and participants in money markets, Segments of money markets, Call Money Markets, Repos and reverse Repo concepts, Treasury Bill Markets, Market for Commercial Paper, Commercial Bills and Certificate of Deposit. Role of STCI and DFHI in money markets

Debt Market: Introduction and meaning, Market for Government/Debt Securities in India, When issued market, Secondary market for government/debt securities, Oversubscription and devolvement of Government Securities, Fiscal Responsibility Act, Government securities issued by State Governments, Municipal Bonds, Corporate Bonds vs. Government Bonds

## UNIT V: FINANCIAL SERVICES

Banking: Recent Developments: Commercial and Development Banks: Meaning , their roles (Traditional and New /Changing roles), Challenges Ahead, Conversion of Financial Institutions into banks, Mergers and Acquisitions in the banking sector in India , Concept of Universal Banking, Non Performing Assets in the Banking Sector, the Securitization Act, Risk Management in Banks (a Brief Overview).

Housing Finance: Meaning and rise of housing finance in India, Fixing the amount of loan, factors driving demand for residential loans , repricing of a loan, floating vs. fixed rate, the rest method, problems on housing finance.

Credit Rating: Introduction, Meaning, and Methodology of rating, Credit rating and the banking sector. Credit Rating Models: Numerical Credit rating Score System, 'Z' Scoring system, Sensitivity Analysis Markov chains CIBIL & Various Credit Rating Agencies in India and their performance and Different Symbols used by them. Credit rating of Non-Debt Instruments (Country and State Ratings, Chit funds ratings, ratings for Banks &AMCs, IPO Gradings) Why equities cannot be rated , Recommendation for equities , Earnings Guidance, Shocks and Surprises.

### Suggested Readings:

1. National Stock Exchange of India (2003) 'Indian Securities Market: A Review' 6th Edition NSE, Mumbai .
2. RanaNisha et. al (2015) Emerging Trends in Business & Management: Shaping the future , Anamica Pub Co. Delhi
3. Rustagi , R.P, Financial Management(2006) : Theory Concepts and Problems : 3rd Edition Galgotia Publishing Co.
4. S.G. Eakins, S.G.(1999) 'Finance: Investments, Institutions and Management', Addison Wesley Longman Inc, USA.
5. Shahani, Rakesh (2014)'Financial Markets in India : A Research Initiative' , Anamica Pub Co, New Delhi

**Semester – V/VI**

**DSE-8**

**ELECTIVE PAPER NAME: ADVERTISING & CONSUMER BEHAVIOUR**

**UNIT 1: Foundations of Advertising**

Types of advertising, Concept of IMC, functions of advertising, The Key Players- Advertiser, Media, Advertising Agency, Vendors, target audience, regulatory bodies (Indian context).

**UNIT 2: Planning and Strategy**

Planning framework/outline, situation analysis, advertising objectives, DAGMAR, Facets Model of effective advertising. (Discussion and analysis of Indian advertisements to find out their likely objectives is recommended)

**UNIT 3: Effective Advertising Message**

The Big Idea and ROI (Relevance, Originality, Impact), creative message execution: appeals, format, tone, body copy, headlines, layout), brand bonding through emotional message execution, preparing a Creative Brief. (Workshop on preparing a creative brief is recommended.)

**UNIT 4: Effective Advertising Media**

Media Plan, Media mix selection, Media objectives, Newer media options, Media budget. (Short group based exercises on allocating a hypothetical media budget of a client across different media recommended. Actual T.V. magazine and billboard costs may be used.)

**UNIT 5: Consumer Personality**

Theories of Personality, Personality and Consumer Diversity, Brand Personality, Self and Self Image, Virtual Personality. (Advertisement analysis and class discussion should be done)

**UNIT 6: Consumer Perception and Learning**

Dynamics of perception (Sensation, Absolute and Differential threshold, Subliminal perception, Perceptual selection, organization and interpretation), Consumer Imagery, elements of consumer learning, behavioural learning theories (Classical, Instrumental, Observational), Cognitive Learning Theory (Information Processing and Involvement Theory).

**UNIT 7: Consumer Attitude and Culture**

Attitude Formation and Attitude Change Strategies.

Needs and culture, Learning and culture (Symbolism, Enculturation and Acculturation, Rituals), Subcultures, Indian Core Values (Family focus, Society through conformity, happiness and adaptability, religion and spirituality).

**Note:** Teaching methodology must integrate concepts with discussions/activities, cases and advertisements in the Indian context. Group Project incorporating the practical aspects of course is recommended.

**Suggested Readings:**

1. Advertising: Principles and Practice by William Wells, Sandra Moriarty, and John Burnett, 7th edition, Prentice Hall of India, 2007
2. Consumer Behaviour by Leon G. Schiffman & Leslie Lazar Kanuk, 8th ed., Pearson publications
3. Consumer Behaviour by Hawkins, Best and Coney, 9th ed, Tata McgrawHill.
4. Consumer Behaviour in Indian Perspective by Suja Nair, Himalya publishers.
5. Conceptual Issues in Consumer Behaviour by S Ramesh Kumar, Pearson Publication.
5. Customer Behaviour: A Managerial Perspective by Sheth and Mittal, Thomson Publication
6. Saikat Banerjee, 2008, "Dimensions of Indian culture, core cultural values and marketing implications", Cross Cultural Management, Vol 15, Issue 4, p367-378, (Emerald Insight)
7. Advertising Management by Jaishri Jethwaney and Shruti Jain, Oxford University Press, 2006
8. Advertising and Integrated Marketing Communications By Kruti Shah, McGraw Hill Education India, 2014.

<b>Ability Enhancement Compulsory Course (AECC) Environmental Studies &amp; Business Communication (Language: English/MIL)</b>	
<b>Semester : I/II</b>	
<b>AECC – MIL</b>	<b>AECC - Environmental Studies</b>

<b>SKILL ENHANCEMENT COURSES (SEC)</b>	
<b>Semester : III/IV</b>	
<b>SEC-1 Entrepreneurial Skills</b>	<b>SEC-2 Introductory Research Methods</b>
<b>SEC-3 Applied Econometrics</b>	<b>SEC-4 Data Base and Statistical Packages</b>

**Semester – III/IV**

**SEC-1**

**PAPER NAME: ENTREPRENEURIAL SKILLS**

**Unit I: The Entrepreneurial Mindset**

Concept of an entrepreneur, Concept and Evolution of entrepreneurship, Distinction between entrepreneur and manager, Distinction between entrepreneur and intrapreneur, Attributes of entrepreneurs, Core elements of entrepreneurship, Entrepreneurship in a Developing economy, Factors affecting Entrepreneurship development, Entrepreneurship as a Process, Role of entrepreneurship in the developing economy.

**Unit II: Launching Entrepreneurial Ventures**

Generation of ideas: Methods and process of generating ideas, sources of ideas and screening process  
Assessing opportunities: Challenges, pitfalls and critical factors of new venture; Business and Entrepreneurial development organizations  
Determining and acquiring required resources (Financial, Physical and Human): Search for entrepreneurial capital- Debt vs. Equity; Venture Capital Market; Angel Financing and Alternative sources of finance for Entrepreneurs  
Business Plan Preparation for new Ventures: Meaning of a business plan, benefits, elements and presentation

**Unit III: Role of Innovation & Creativity**

Creativity: Concept and process of creativity; role and importance of creativity and mental blocks to creativity  
Innovation: Meaning and importance of innovation; Types of innovation; Sources of innovation; Conditions for effective innovation at Organization level and Methods of protecting innovation and creativity: branding, trademarks, patents, copyrights and registered design protection

**Unit IV: Case Study of selected Indian Business Houses**

Note: Case Studies and examples of successful entrepreneurs and entrepreneurial ventures should be discussed at relevant places.

**Suggested Readings:**

1. Entrepreneurship: A South Asian Perspective, Donald. F Kuratko & T.V Rao, Cengage Learning Publications, 2012
2. Family Business, Ernesto J. Poza, 3rd ed., 2010
3. Entrepreneurship and Small Business Management, C.B Gupta and S.S Khanka, Sultan Chand Publications, 2014
4. Entrepreneur Development, Taneja & Gupta, Galgotia Publishing Company, 2nd ed., 2012

**Semester – III/IV**

**SEC-2**

**PAPER NAME: INTRODUCTORY RESEARCH METHODS**

**Survey Design:** Focus should be given to the analysis and evaluation of corporate and Government policies

**Data Collection:** Designing a Questionnaire, Sampling, threats to external validity, random and non-random sampling, random sampling methods, sampling bias and error, sample size

**Data:** variables measurement levels and types, Importing Data in Excel or SPSS, Use of If, Conditional Formatting, Vlookup and Filter in Excel. Data Transformations (Log, Difference and other arithmetic),

**Data representation:** Cross Tabulations, Bar and Column Diagram, Histogram, Line chart etc.

**Data Analysis:** Use of Basic Statistical Functions in Excel or SPSS, correlation and causality (Concept only), Hypothesis Formulation, Report writing

**Secondary Source of Survey data:** NSSO, CSO, DLHS, DISE, AIHES, structure, extraction and use, Review of Literature (Studies Evaluating Government Policies)

**Randomized Controlled Trials (Experiments):** Basic Concepts, Applications in exploring the human behavior, Few Case studies based on designing of policy based on Randomized Controlled Trials, Brief Introduction of Factorial Experiments

**References**

Social science research: principles, methods, and practices: AnolBhattacharjee,

Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty: Abhijit Banerjee, Esther Duflo

<http://www.povertyactionlab.org/methodology> Accessed on 27/03/2015

<http://www.fao.org/docrep/003/x6831e/x6831e08.htm> Accessed on 27/03/2015

**Guidelines:**

The lecture should be divided in to 60:40. For every 3-theory lecture two practical sessions must be held in a batch of 15-20 Students. Either Excel or SPSS can be used in practical session depending upon the availability. A team of ten students should write a report as a part of assessment.

**Semester – III/IV**

**SEC-3**

**PAPER NAME: APPLIED ECONOMETRICS**

**Pre-requisite:** At least one course in advanced statistics or introductory / basic econometrics. Knowledge of Windows Excel or SPSS or EVIEWS is highly desirable

**UNIT 1: REVIEW OF STATISTICAL & ECONOMETRIC CONCEPTS:**

Point and interval estimation Hypotheses testing, Significance levels and p values. Chi square, t and F distributions. Understanding the residuals/error term. Assumptions of the Classical Least Square Regression model: R Square & Adjusted R square. Functional forms, Dummy Variables, Multicollinearity, Heteroscedasticity & Autocorrelation, Specification Errors

**UNIT 2: SIMULTANEOUS EQUATION MODELS:**

Simultaneous Equations Models; The Identification Problem; Instrumental Variables Two Stage Least Squares, The Indirect least squares techniques. Applications

**UNIT 3: TIME SERIES MODELS:**

Stationary and Non Stationary time series, Unit root tests, the Random Walk, Moving Average AR & ARIMA Models, Static and Dynamic models, adaptive expectations and partial adjustment models. Tests for Causality, Co integration & VECM, Criteria Tests for Models using AIC & SIC techniques, Forecasting with Time Series using Correlogram, ARIMA, Volatility estimation using Basic and Variants of ARCH & GARCH processes. Artificial Neural Networks as a forecasting technique

**UNIT 4: BINARY DATA AND LIMITED DEPENDENT VARIABLE MODELS**

Qualitative Response and Limited Dependent Variable Models (LPM, Logit and Probit Models) Maximum Likelihood Estimator

**UNIT 5: PANEL DATA** Introduction to Panel Data, Incorporating Fixed and Random Effects

**Suggested Readings:**

1. Gujarati, Damodar : Basic Econometrics, 3rd edition McGraw Hill, New Delhi (1995)
2. Wooldridge, J.M. : “*Introductory Econometrics : A Modern Approach*”, , Cengage Learning 3<sup>rd</sup> Edition: New Delhi. (2007)
3. Pindyck, Robert S. and Daniel L. Rubinfeld. “*Econometric Models and Economic Forecasts.*”. McGrawHill, 3<sup>rd</sup> Edition, Singapore (1997).



**Semester – III/IV**

**SEC-4**

**PAPER NAME: DATA BASE AND STATISTICAL PACKAGES**

**Pre-requisite:** Understanding of computers with Knowledge of MS Excel Computer package

**Unit 1: Introduction to e-resources: Free and Paid ‘E’ Resources, On Line Search technique**

**Unit 2: Types of Databases and their classification: Statistical, Economic, Financial etc**

**Unit 3: Hands on experience on extracting data for research using commonly used databases like Prowess, Bloomberg, Capitaline and ACE Databases**

**Unit 4: Data Analytics with EVIEWS**

**\*Elective : Inter-Discipline Specific**

**(IDSE)**

**BA (Hons) Business Economics**

**Semester : V/VI**

**GE I: Microeconomics**

**GE II: Macroeconomics**

**GE III: Fundamentals of Finance and its Applications**

**GE IV: Introduction to Marketing Management**

**SEMESTER – I**  
**ELECTIVE COURSE – INTERDISCIPLINARY**  
**GE1: Microeconomics**

**UNIT I: INTRODUCTION**

- 1. Basic Concepts:**  
Scarcity and Choice, Production Possibility Curve, Production Possibility Curve and the Central Problems of the Economy
- 2. Demand and Supply:**  
The Concept of Demand and Demand Function, Law of Demand, Movements along the Demand Curve and Shifts in Demand Curves, The Concept of Supply and Supply Function, The Law of Supply, Movements along a Supply Curve Versus Shifts in Supply Curve, Market Equilibrium and Price Determination, Shifts in Demand and Supply
- 3. Elasticity of Demand and Supply:**  
Price Elasticity of Demand, Degree of Price Elasticity of Demand, Determinants of Price elasticity of Demand, Measurement of Price Elasticity of Demand, Slope of Demand Curve and Elasticity of Demand, Income Elasticity of Demand, Cross Elasticity of Demand, Elasticity of Supply
- 4. Applications of Demand and Supply:**  
Price Ceiling, Rent Control, Fluctuations in Agricultural Prices and Effects on Farmers' Income

**UNIT II: CONSUMER THEORY**

- 1. Cardinal Utility Theory:**  
The Concept of Utility, The Law of Diminishing Marginal Utility, Derivation of Demand Curve from Marginal Utility Schedule, The Law of Equi- Marginal Utility, Derivation of demand Curve from Law of Proportionality, Consumer's Surplus, The Paradox of Value
- 2. Ordinal Utility Analysis:**  
The Concept of Ordinal Utility, Meaning of an Indifference Curve, Marginal Rate of Substitution, Properties of Indifference Curves, Exceptions to the Normal Shape of Indifference Curves, Budget Equation or Budget Line, Consumer's Equilibrium, Income Effect, Substitution Effect, Price Effect, Normal Goods, Inferior and Giffen Goods, Derivation of Demand Curve from Price Consumption Curve

**UNIT III: PRODUCTION**

Concept of Production Function, Fixed and Variable Inputs and Short and Long Run, Total, Average and Marginal Products, Total, Average and Marginal Curves, The Law of Variable Proportions: Returns to a Factor, What Are Isoquants?, Characteristics or Properties of Isoquants, Returns to Scale, Economies and Diseconomies of Scale

**UNIT IV: COST AND REVENUE**

The Concept of Costs, Cost Functions-Short Run and Long Run, Theory of Cost in the Short Run, Short-Run Cost Curves, Long-Run Cost Curves, Equilibrium of the Firm: The Optimum Combination of Factors, Technical/Technological Change: the Very Long Run, Concepts of Revenue, Relationship between Elasticity and Demand, Marginal, Revenue and Average Revenue

## **UNIT V: MARKET STRUCTURE**

1. Perfect competition: Equilibrium of the market. Long run industry supply: producer and consumer surplus. Applications: effects of taxes and subsidies.
2. Monopoly: Equilibrium; supply; multipiant firm; monopoly power; deadweight loss; price discrimination; bundling; two-part tariffs. Monopolistic Competition: Product differentiation; equilibrium of the firm in the industry-with entry of new firms and with price competition. Comparison with pure competition.

### **Suggested Readings:**

1. Case, Karl E. & Ray C. Fair, Principles of Economics, Pearson Education, Inc., 8<sup>th</sup> edition, 2007
2. Joseph E. Stieglitz and Carl E. Walsh (2006), Economics, International Student Edition, 4<sup>th</sup> edition,
3. Lipsey and Chrystal, Economics, 11<sup>th</sup> edition

**Semester – II**

**ELECTIVE COURSE – INTERDISCIPLINARY**

**GE2: Macroeconomics**

**UNIT I: INTRODUCTION**

Macro Economic Variables, Functional Relationships, Economic Models, Accounting and theoretical Relationships, Consumption Goods, Capital Goods, Final Goods, Intermediate Goods, Stocks and Flows, Gross Investment and Depreciation, Circular Flow of Income

**UNIT II: NATIONAL INCOME ACCOUNTING**

Methods of Calculating National Income: Value Added or Product Method, Expenditure Method, Income Method, Aggregates Related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross and Net Domestic Product (GDP and NDP) at Market Price and at Factor Cost, National Disposable Income (Gross and Net), Private Income, Personal Income and Personal Disposable Income, Real and Nominal GDP, GDP and Welfare

**UNIT III: DETERMINATION OF INCOME AND EMPLOYMENT**

Aggregate Demand and its Components, Propensity to Consume, Propensity to Save (Average and Marginal), Short-Run Equilibrium Output, Investment Multiplier and its Mechanism, Meaning of Full Employment and Involuntary Unemployment, Problem of Excess Demand and Deficient Demand, Measures to Correct Them - Change in Government Spending, Availability of Credit

**UNIT IV: MONEY AND BANKING**

Meaning and Functions: Supply of Money - Currency Held by the Public and Net Demand Deposits Held by Commercial Banks, Money Creation by the Commercial Banking System, Central Bank and its Functions (Example of Reserve Bank of India): Bank of issue, Govt. Bank, Banker's Bank, Controller of Credit through CRR, SLR, Reserve Repo Open Market Operations and Margin Requirement, Demand for Money, Quantity Theory of Money, Liquidity Preferences and Interest Rates, Monetary Policy

**UNIT V: BALANCE OF PAYMENT**

Balance of Payment, Meaning and Components, Balance of Payment Deficit, Foreign Exchange Rate, Fixed Rates and Flexible Rates, Managed Floating, Determination of Exchange Rate in a Free Market

**Suggested Readings:**

1. Case, Karl E. & Ray C. Fair, Principles of Economics, Pearson Education, Inc., 8<sup>th</sup> edition, 2007
2. Lipsey and Chrystal, Economics, 11<sup>th</sup> edition
3. Rudiger Dornbusch and Stanley Fischer, Macroeconomics, 6<sup>th</sup> edition



## ELECTIVE COURSE – INTERDISCIPLINARY

### GE3: Fundamentals of Finance and its Applications

#### **UNIT I: Introduction & Sources of Finance**

Nature, scope and objectives of Finance. Meaning of Cash Flows, Risk and Return. Meaning of Discounting and How to Discount Cash flows. Sources of Finance: Equity & Preference Capital, Dividends and Retained earnings, Debt & Bonds & Long term loans. Short term advances from banks, public deposits, & advances from customers and trade creditors.

#### **UNIT II: Financial Markets:**

Role and Importance of Financial Markets, Types of Financial Markets, Financial Markets vs. Capital Markets vs. Stock Markets, Linkages Between Economy and Financial Markets, Players in Financial Markets, Regulator of Financial Markets (RBI and SEBI)

#### **UNIT III: Financial Services**

Lease Financing: Concept of leasing, Types of lease agreements, Difference between hire purchase and leasing, Advantages and Disadvantages of Leasing.

Banking & Financial Institutions: Commercial and Development Banks: Meaning, their roles (Traditional and New / Changing roles), Challenges Ahead, Conversion of Financial Institutions into banks, Mergers and Acquisitions in the banking sector in India, Concept of Universal Banking, Non Performing Assets in the Banking Sector.

Housing Finance: Meaning and rise of housing finance in India, Fixing the amount of loan, EMI, floating vs. fixed rate, factors which drive the demand for residential houses

Insurance Introduction, types, reinsurance, banc assurance, riders, life and non life insurance, new types of insurance, LIC vs. private players

Credit Rating: Introduction, Meaning, and Methodology of rating, Credit rating and the banking sector. CIBIL & Various Credit Rating Agencies in India and their performance and Different Symbols used by them. Credit rating of Non-Debt Instruments

#### **Unit IV: Mutual Funds**

Introduction, NAV of a Fund, Classification of Mutual Fund Schemes (Open end & closed end, income & growth schemes), sectorial schemes, index Schemes, Fund of Funds Schemes, ETF & Gold ETF, faith based and arbitrage funds.

#### **UNIT V: INTRODUCTION TO FINANCIAL ACCOUNTING**

Concept of Financial Accounting. Types of Accounting: Financial, Cost and Management Accounting. Accounting as an Information System. The users of Financial Accounting Information. Characteristics of Accounting Information. Functions, Advantages and Limitations of Financial Accounting. Financial Accounting Standards: concept, benefits, & Salient features of Accounting Standard (AS): 1 (ICAI)

#### **Suggested Readings:**

1. M. Y Khan. and P. K Jain(2007)., *Financial Management, Text and Problems*, Tata McGraw Hill New Delhi.
2. Monga, J.R., “*Financial Accounting: Concepts and Applications*”, Mayoor Paper Backs, New Delhi.
3. Prasanna Chandra (2011), *Financial Management-Theory and Practice*, Tata McGraw Hill.
4. Rustagi, R.P, *Financial Management(2006) : Theory Concepts and Problems* : 3<sup>rd</sup> Edition Galgotia Publishing Co.
5. Shahani, Rakesh (2014) ‘*Financial Markets in India : A Research Initiative*’, Anamica Pub Co, New Delhi

## **ELECTIVE COURSE – INTERDISCIPLINARY**

### **GE 4: Introduction to Marketing Management**

#### **Unit I What is Marketing**

Nature, Scope and importance of marketing, core marketing concepts, Company orientation - Production concept, Product concept, Selling concept, Marketing concept, Holistic marketing concept.

#### **Unit II Understanding Consumers**

Overview of consumer buying process and factors influencing consumer behavior. Segmentation: Levels of Market Segmentation, bases for segmenting consumer markets. Targeting and Positioning (briefly).

#### **Unit III Product and Price**

Concept of Product Life Cycle (PLC), Product Classification, concept of services - unique characteristics of services, Product Line & Mix Decisions, Packaging.

Pricing Decisions: Determinants of Price, Pricing Methods (non-mathematical treatment), Market penetration and skimming strategies, Geographical Pricing, Promotional, Psychological and Differential Pricing.

#### **Unit IV Promotions and Brand Management**

Eight elements of the Promotion Mix: basics of Advertising (5M's), Sales Promotion, Events & Experiences, Public Relations & Publicity, Direct Marketing, Interactive Marketing, Word of Mouth Marketing and Personal Selling. Factors affecting the promotion mix.

Significance of branding, Brand positioning (briefly), Brand Equity, Branding Strategy.

#### **Unit V Place (Distribution)**

Channel functions, Channel Levels, Types of Retailers, Store atmosphere, Types of Wholesalers.

#### **Unit VI Environment and Competition**

Marketing Environment: demographic, economic, political, legal, socio cultural, technological environment. Porter's Model of Competition, BCG matrix.

#### **Suggested Readings:**

1. Kotler, P. & Keller, K. L. (2012). *Marketing Management* (14th ed.). Pearson.
2. Kotler, P., Armstrong, G., Agnihotri, P. Y., & UIHaq, E. (2010). *Principles of Marketing – A South Asian Perspective*. (13th ed.). Pearson.
3. Ramaswamy, V.S., Namakumari, S. (2009). *Marketing Management: Global Perspective-Indian Context*. (4th ed.). Macmillan Publishers India Limited.
4. Zikmund, W.G., D' Amico, M. (1999). *Marketing*. (6th ed.). Ohio: South-Western College Publishing.



5. Etzel, Michael J, Walker, Bruce J, Stanton William J and Pandit, Ajay (2009). *Marketing* (14th ed.). Tata McGraw Hill