

**UNIVERSITY OF MADRAS**  
**INSTITUTE OF DISTANCE EDUCATION**  
**BCOM – BANK MANAGEMENT**  
**Under Choice Based Credit System**  
**(With effect from the academic year 2018 – 2019)**

**SCHEME OF EXAMINATION**

| SEMESTER I       |                 | SUBJECTS                | CREDIT | Max Marks |     | TOTAL |
|------------------|-----------------|-------------------------|--------|-----------|-----|-------|
| COURSE COMPONENT |                 |                         |        | INT       | EXT |       |
| Part I           | Paper-I         | Tamil or other language | 3      | 25        | 75  | 100   |
| Part II          | Paper-I         | English                 | 3      | 25        | 75  | 100   |
| Part III         | Core Paper-I    | Financial Accounting    | 4      | 25        | 75  | 100   |
|                  | Core Paper-II   | Business Laws           | 4      | 25        | 75  | 100   |
|                  | Allied Paper- I | Business Economics      | 3      | 25        | 75  | 100   |

| SEMESTER II      |                 | SUBJECTS                             | CREDIT | Max Marks |     | TOTAL |
|------------------|-----------------|--------------------------------------|--------|-----------|-----|-------|
| COURSE COMPONENT |                 |                                      |        | INT       | EXT |       |
| Part I           | Paper-II        | Tamil or other language              | 3      | 25        | 75  | 100   |
| Part II          | Paper-II        | English                              | 3      | 25        | 75  | 100   |
| Part III         | Core Paper-III  | Advanced Financial Accounting        | 4      | 25        | 75  | 100   |
|                  | Core Paper-IV   | Corporate Laws                       | 4      | 25        | 75  | 100   |
|                  | Allied Paper-II | Indian Economy – Problems and Issues | 3      | 25        | 75  | 100   |

| SEMESTER III     |                  | SUBJECTS                                   | CREDIT | Max Marks |     | TOTAL |
|------------------|------------------|--|--------|-----------|-----|-------|
| COURSE COMPONENT |                  |  |        | INT       | EXT |       |
| Part III         | Core Paper-V     | Corporate Accounting - I                   | 4      | 25        | 75  | 100   |
|                  | Core Paper-VI    | Business Communication                     | 4      | 25        | 75  | 100   |
|                  | Core Paper-VII   | Banking Theory, Law & Practice             | 4      | 25        | 75  | 100   |
|                  | Allied Paper-III | Business Statistics & Operation Research I | 3      | 25        | 75  | 100   |
| Part IV          | NME-I            | Indian Constitution                        | 2      | 25        | 75  | 100   |

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| SEMESTER IV      |                 | SUBJECTS                                    | CREDIT | Max Marks |     | TOTAL |
|------------------|-----------------|---|--------|-----------|-----|-------|
| COURSE COMPONENT |                 |   |        | INT       | EXT |       |
| Part III         | Core Paper-VIII | Corporate Accounting – II                   | 4      | 25        | 75  | 100   |
|                  | Core Paper-IX   | Practical Auditing                          | 4      | 25        | 75  | 100   |
|                  | Core Paper-X    | Business Taxation                           | 4      | 25        | 75  | 100   |
|                  | Core Elective-I | Business Statistics & Operation Research II | 3      | 25        | 75  | 100   |
| Part IV          | NME-II          | Basics of Psychology                        | 2      | 25        | 75  | 100   |

| SEMESTER V       |                  | SUBJECTS                      | CREDIT | Max Marks |     | TOTAL |
|------------------|------------------|-------------------------------|--------|-----------|-----|-------|
| COURSE COMPONENT |                  |                               |        | INT       | EXT |       |
| Part III         | Core Paper-XI    | Credit Management             | 4      | 25        | 75  | 100   |
|                  | Core Paper-XII   | Financial Management          | 4      | 25        | 75  | 100   |
|                  | Core Paper-XIII  | Marketing of Banking Services | 4      | 25        | 75  | 100   |
|                  | Core Elective-II | Treasury Management           | 3      | 25        | 75  | 100   |
| Part IV          |                  | Environmental Studies         | 2      | 25        | 75  | 100   |

| SEMESTER VI      |                   | SUBJECTS                               | CREDIT | Max Marks |     | TOTAL |
|------------------|-------------------|--|--------|-----------|-----|-------|
| COURSE COMPONENT |                   |  |        | INT       | EXT |       |
| Part III         | Core Paper-XIV    | Management Accounting                  | 4      | 25        | 75  | 100   |
|                  | Core Paper-XV     | International Banking                  | 4      | 25        | 75  | 100   |
|                  | Core Paper-XVI    | Customer Relationship Management (CRM) | 4      | 25        | 75  | 100   |
|                  | Core Elective-III | Merchant Banking                       | 3      | 25        | 75  | 100   |
| Part IV          |                   | Value Education                        | 2      | 25        | 75  | 100   |

### CREDIT DISTRIBUTION

| Course component |                     | No. of paper x Credit(s) | Total |            |
|------------------|---------------------|--------------------------|-------|------------|
| Part I           | Language Paper(2)   | 2x3                      | 06    |            |
| Part II          | English(2)          | 2x3                      | 06    |            |
| Part III         | Core paper(16)      | 16x4                     | 64    |            |
|                  | Allied(3)           | 3x3                      | 09    |            |
| Part IV          | Elective(3),        | 3x3                      | 09    |            |
|                  | NME(2),EVS(1),VE(1) | 4x2                      | 08    | <b>102</b> |

**BCOM (Bank Management)**  
**Under Choice Based Credit System**  
**(With effect from the academic year 2018-2019)**

**SYLLABUS**

**SEMESTER I**

**CORE PAPER I – FINANCIAL ACCOUNTING**

**UNIT I**

Preparation of Final Accounts of a Sole Trading Concern – Adjustments – Closing Stock, Outstanding and Prepaid items, Depreciation, Provision for Bad Debts, Provision for Discount on Debtors, Interest on Capital and Drawings .

**UNIT II**

Preparation of Receipt and Payments Accounts – Income and Expenditure Account and Balance Sheet of Non Trading Organizations.

**UNIT III**

Account Current – Average Due Date – Sale or Return Account.

**UNIT IV**

Depreciation – Meaning, Causes, Types – Straight-Line Method – Written Down Value Method – Insurance Claims – Average Clause (Loss of Stock only).

**UNIT V**

Single Entry – Meaning, Features, Defects, Differences between Single Entry and Double Entry System – Statement of Affairs Method – Conversion Method.

**REFERENCE BOOKS**

1. R.L. Gupta & V.K Gupta – Advanced Accounting
2. T.S. Reddy & A.Murthy – Financial Account
3. Shukla & Grewal – Advanced Accounting
4. Jain & Narang – Financial Accounting
5. P.C.Tulsian – Financial Accounting
6. S.Parthasarathy & A.Jaffarulla – Financial Accounting
7. R.L Gupta & Radhaswamy – Advanced Accounting – Volume I

## **CORE PAPER II - BUSINESS LAWS**

### **UNIT I: Formation of Contract**

Indian Contract Act - Formation - Nature and Elements of Contract - Classification of Contracts - Contract Vs Agreement.

### **UNIT II: Offer, Acceptance and Consideration**

Offer - Definition - Forms of Offer - Requirements of a Valid Offer. Acceptance - Meaning - Legal rules as to a Valid Acceptance. Consideration - Definition - Types - Essentials.

### **UNIT III: Other Elements of Valid Contract**

Capacity of Parties - Definition - Persons Competent to contract. Free consent - Coercion - Undue Influence - Fraud - Misrepresentation - Mistake. Legality of object - Void agreements - Unlawful Agreements.

### **UNIT IV: Performance of contract**

Performance of Contracts - Actual Performance - Attempted Performance - Tender. Quasi Contract - Definition and Essentials. Discharge of Contract - Modes of Discharge - Breach of Contract - Remedies available for Breach of Contract.

### **UNIT V: Sale of Goods Act**

Sale - Contract of Sale - Sale Vs Agreement to Sell - Meaning of Goods - Conditions and Warranty - Caveat Emptor - Exceptions of Caveat Emptor - Buyer and Seller of Goods - Unpaid Seller - Definition - Rights of an Unpaid Seller.

### **SUGGESTED READINGS:**

1. Kapoor, N.D. Business Laws, Sultan Chand and Sons.
2. Sreenivasan, M.R. Business Laws, Margam Publications.
3. Dhandapani, M.V. Business Laws, Sultan Chand and Sons.
4. Badre Alam, S. & Saravanavel, P. Mercantile Law
5. Pillai, R.S.N. & Chand, S, Business Law, S Chand & Co, Delhi
6. Ramaswamy, K.N., Business Law, S Chand & Co, Delhi
7. Shukla, M.C, Business Law, S. Chand & Co.
8. Balachandran. V & Thothadri.S, Business Law, Vijay Nicole Imprints Pvt. Ltd. Chennai

## **ALLIED PAPER I - BUSINESS ECONOMICS**

### **UNIT I**

Introduction to Economics – Wealth, Welfare and Scarcity Views on Economics – Positive and Normative Economics -Definition – Scope and Importance of Business Economics

Concepts: Production Possibility frontiers – Opportunity Cost – Accounting Profit and Economic Profit – Incremental and Marginal Concepts – Time and Discounting Principles – Concept of Efficiency

### **UNIT II**

Demand and Supply Functions - Meaning of Demand – Determinants and Distinctions of demand – Law of Demand – Elasticity of Demand – Demand Forecasting – Supply concept and Equilibrium

### **UNIT III**

Consumer Behaviour: Law of Diminishing Marginal utility – Equimarginal Utility – Indifference Curve – Definition, Properties and equilibrium

### **UNIT IV**

Production: Law of Variable Proportion – Laws of Returns to Scale – Producer's equilibrium – Economies of Scale - Cost Classification – Break Even Analysis

### **UNIT V**

Product Pricing: Price and Output Determination under Perfect Competition, Monopoly – Discrimination monopoly – Monopolistic Competition – Oligopoly – Pricing objectives and Methods

### **RECOMMENDED TEXTS:**

1. S.Shankaran, Business Economics - Margham Publications - Ch -17
2. P.L. Mehta, Managerial Economics – Analysis Problems & Cases - Sultan Chand & Sons - New Delhi – 02.
3. Francis Cherunilam, Business Environment - Himalaya Publishing House -Mumbai – 04.
4. Peter Mitchelson and Andrew Mann, Economics for Business - Thomas Nelson Australia - Can -004603454.
5. C.M.Chaudhary, Business Economics - RBSA Publishers - Jaipur - 03.
6. H.L. Ahuja, Business Economics – Micro & Macro - Sultan Chand & Sons - New Delhi – 55.

## **SEMESTER II**

### **CORE PAPER III: ADVANCED FINANCIAL ACCOUNTING**

#### **UNIT I**

Branch accounts – Dependent Branches – Stock & Debtors System

#### **UNIT II**

Departmental Accounts – Basis for allocation of expenses – Interdepartmental transfer at cost or selling price – Treatment of expenses which cannot be allocated.

#### **UNIT III**

Hire-purchase and Instalment System – Default and Repossession – Instalment Purchase System.

#### **UNIT IV**

Partnership Accounts – Admission of a Partner – Retirement of a Partner – Death of a Partner.

#### **UNIT V**

Dissolution of partnership – Insolvency of a partner (application of Indian Partnership Act, 1932) – Insolvency of all partners – Gradual realization of asset and Piece – meal distribution.

#### **REFERENCE BOOKS:**

1. R.K Gupta – Financial Accounting.
2. T.S. Reddy & A.Murthy – Financial Accounting
3. Jain & Naran – Financial Accounting
4. R.K. Gupta & Redhaswamy – Advanced Accounting
5. S.N. Maheswari – Financial Accounting
6. T.S. Shukla & Grewal – Advanced Accounting
7. S.Parthasarathy, & A.Jaffarulla – Financial Accounting.

## **CORE PAPER IV – CORPORATE LAWS**

### **UNIT I: Joint Stock Company**

Meaning - Kinds of Companies (Special Provisions with respect to Private Company, Public Company, One Person Company, Small Company, Dormant Company) - Formation - Memorandum of Association - Contents - Restriction on “Other Objects” - Doctrine of Ultra Vires - Articles of Association - Contents - Prospectus - Contents - Types (Statement in Lieu of Prospectus, shelf Prospectus, Red Herring Prospectus) – Underwriting – Book Building Process - Green Shoe Option - E-Filing - Dematerialization.

### **UNIT II: Share Capital and Debentures**

Meaning of Shares - Kinds of Shares - Voting rights - Issue of shares at a Premium and Discount - Partly paid shares - Bonus Shares - Rights shares - Sweat Equity Shares. Debentures - Meaning - Types.

### **UNIT III: Managerial Personnel**

Directors - Women Directors - Independent Directors - Director Identification Number - Other Key Managerial Personnel - Related Party Transactions.

### **UNIT IV: Meetings and Resolutions**

Meeting - Statutory Meeting - Annual General Meeting - Extraordinary General Meeting - Notice of Meeting - Quorum - Proxy - Board of Directors Meeting - Committee - Types of Committee - Audit Committee - Stake Holders Relationship Committee - Corporate Social Responsibility Committee. Resolutions - Ordinary Resolution - Special Resolution - Resolution requiring special notice.

### **UNIT V: Winding up of Company**

Modes of Winding up - Winding up by the Court - Voluntary Winding up - Types - Members Voluntary Winding up - Creditors Voluntary Winding up. National Company Law Appellate Tribunal.

### **SUGGESTED READINGS**

1. Kapoor, N.D., Business Laws, Sulthan Chand and Sons, New Delhi.
2. Sreenivasan, M.R. Business Laws, Margam Publications, Chennai.
3. Dhandapani, M.V. Business Laws, Sultan Chand and Sons, New Delhi.
4. Avatar Singh, Company Law, Eastern Book Company
5. Shukla, M.C. & Gulshan, S.S., Principles of Company Law
6. Badri Alam, S & Saravanavel, Company Law, Himalaya Publications
7. Gogna, P.P.S., Text Book of Company Law, S. Chand & Co.
8. Gaffor & Thothadri, Company Law, Vijay Nicole Imprints Pvt. Ltd. Chennai

## **ALLIED – II INDIAN ECONOMY – PROBLEMS AND ISSUES**

### **UNIT I**

Economic growth and Economic Development, Features of a developing Economy – Indicators of Economic Development.- National Income – Trends – Structural changes – Regional Development Disparities - Public Finance: Fiscal policy – Components, fiscal policy in the liberated era.

### **UNIT II**

Major problems of Indian Economy – Poverty and Inequality – Unemployment – Population - India's planned economy – Objectives strategies – Financing , Achievements and failures - Infrastructure for Development – Transport, Communication, Power, Irrigation, Social infrastructure – Education , Primary health.

### **UNIT III**

Agriculture – Contribution to economic development, green revolution, agriculture productivity; land reforms; sources of farm credit;- Food subsidy and Security- Public distribution system.

### **UNIT IV**

Industry – Role of industries in economic development; - Industrial development under the planning regime. New economic policy 1991. Role of public sector and restructuring the public sector. Role of small scale industries in economic development.

### **UNIT V**

Foreign Trade: Composition, direction, and EXIM policy- Information technology (IT) Industry- Information technology and knowledge Economy – Growth and present state of IT industry in India – Future prospects of IT industry.

### **REFERENCE BOOKS**

1. Indian Economy – I.C. Dingra
2. Indian Economy – S.Shankaran
3. Indian Economy – Ruddar Datt and K.P.M. Sundharam
4. Indian Economy – Problem of Development and Planning, A.N. Agarwal.

## **SEMESTER III**

### **CORE PAPER V - CORPORATE ACCOUNTING – I**

#### **UNIT I**

Issue of Shares and Debentures – various kinds – Forfeiture – Re-issue – Underwriting of Shares and Debentures.

#### **UNIT II**

Redemption of Preference Shares and Debentures – Purchase of Business – Profits prior to Incorporation.

#### **UNIT III**

Preparation of Company Final Accounts – Company Balance Sheet preparation – Computation of Managerial Remuneration.- Schedule III for Financial Statements.

#### **UNIT IV**

Valuation of Goodwill and Shares.

#### **UNIT V**

Alteration of Share Capital – Internal Reconstruction and Reduction of Capital

#### **REFERENCE BOOKS:**

1. R.L.Gupta – Corporate Accounting
2. T.S.Reddy & A.Murthy – Corporate Accounting
3. Shukla & Grewal – Advanced Accounting
4. Jain & Narang – Company Accounts
5. Chakraborty – Advanced Accountancy

## **CORE PAPER VI: BUSINESS COMMUNICATION**

### **UNIT I**

Analysis of business letter - Basic Principles in drafting - Appearance and layout - Letter style.

### **UNIT II**

Various types of business letters - letter of enquiry - quotations - Offers - Orders - Cancellation - Complaints and Settlement.

### **UNIT III**

Circular - Status enquiries - collection Letters - Application for a situation - Letter of recommendation - Reference Letters.

### **UNIT IV**

Company Correspondence - Correspondence with Shareholders - Debenture holders / F.D holders, Government Departments, Statutory Bodies - Office staff, customers and Public and Directors.

### **UNIT V**

Report writing - Format - Report style and language – Report by individuals and committees - Report on meeting - Speeches writing - Role of computers in Business Correspondence.

### **REFERENCE BOOKS**

- 1 *L.Gartside - Modern Business Correspondence*
- 2 Ramesh And Pattnesh - Effective Business English And Correspondence
- 3 Bhal And Nagamiah - Modern Business Correspondence
- 4 Koralahalli - Bussiness Correspondence

## **CORE PAPER VII: BANKING THEORY, LAW AND PRACTICE**

### **UNIT I**

Origin of Banks - Banking Regulation Act 1949 (Definition of Banking, Licensing, opening of Branches, functions of Banks, Inspection) - Role of Banks and Economic Development - Central Banking and role of RBI and their functions.

### **UNIT II**

Commercial Banks - Functions- accepting Deposits - lending of Funds, E-Banking - ATM cards - Debit Cards - Personal Identification Number - Online Enquiry and update facility – Electronic Fund Transfer – Electronic Clearing System.

### **UNIT III**

Opening of an Account, Types of Deposit Account - Types of Customers (Individuals, Firms, Trust and Companies) - Importance of Customer Relations - Customer Grievances, Customer Redressal - Ombudsman.

### **UNIT IV**

Principles of Lending - Types of Borrowings - Pre-cautions to be taken by a Banker.

### **UNIT V**

Negotiable Instruments (Promissory Note, Bill of Exchange, Cheque, Draft) Definitions – Features – Crossings – Endorsement - Material Alteration - Paying Banker - Rights and Duties, Statutory Protection – Dis-honour of Cheques - Role of Collecting Banker.

### **REFERENCE BOOKS**

1. Sundaram & Varshney- Banking, law, theory and practice (SULTAN CHAND Co.)
2. B.Santhanam- Banking & Financial systems(MARGHAM PUBLISHERS)
3. S.N.Maheshwari Banking theory, law and practice (KALYANI PUBLICATIONS)
4. Parameswaran- Indian Banking (S. CHAND &Co.)
5. Tandon-Banking law theory & practice
6. Sherlaker & Sherlaker - Banking law theory and practice.

## **ALLIED PAPER III – BUSINESS STATISTICS & OPERATION RESEARCH I**

### **UNIT I**

Introduction – Classification and tabulation of statistical data – Diagrammatic and graphical representation of data.

### **UNIT II**

Measures of Central tendency – Mean , median and mode – Dispersion, Range, Quartile deviation, Mean Deviation , Standard Deviation – Measures of Skewness.

### **UNIT III**

Correlation – Karl Pearson’s Coefficient of Correlation – Spearmen’s Rank Correlation – Regression Lines and Coefficients.

### **UNIT IV**

Time Series Analysis – Trend – Seasonal Variation.

### **UNIT V**

Introduction to OR – Linear Programming – Graphical and Algebraic Solution (maximization and minimization)

### **REFERENCE BOOKS**

1. Statistical Methods – S.P. Gupta
2. Introduction to Operations Research – Dr. P.R. Vittal
3. Statistics – Elhance
4. Operations Research – Hira and Gupta, S. Chand.
5. Operations Research – Handy and A. Taha.

## **NON-MAJOR ELECTIVE I: INDIAN CONSTITUTION**

### **UNIT I: Introduction**

Salient features of the constitution – preamble – Federal systems – Fundamental Rights and Duties – Directive Principles of State Policy – Amendment procedure

### **UNIT II: Union Executive**

Union Executive – President – Elections – Powers – Legislative – Executive – Judiciary and Emergency – Vice President – Prime Minister – Cabinet

### **UNIT III: Parliament**

Union Parliament – Rajya Sabha – Chairman – Lok Sabha – Speaker – Powers and functions

### **UNIT IV: Judiciary**

Supreme Court – Appointment and Removal of Judges – Constitutional Remedies – Independence of Judiciary – Original – appellate – Advisory power – Judicial Review

### **UNIT V: State Government**

State government – governor – Appointment – Removal – Powers – Executive – Legislative – Judicial and Discretionary – Chief Minister – Cabinet – State legislatures – High Court.

## **BOOKS RECOMMENDED FOR STUDY**

1. Basu D.D.,- Introduction to the Constitution of India , Prentice Hall of India.
2. Pylee.M.V.,- An Introduction to the Constitution of India, Vikas Publishing House.
3. Siwach.J.R.,- Dynamics of Indian Government and Politics Sterling Publishing House.

## **SEMESTER IV**

### **CORE PAPER VIII – CORPORATE ACCOUNTING – II**

#### **UNIT I**

Human Resource Accounting – Accounting Standards - Financial Reporting practice  
– Accounting for price level changes – (Theory Only)

#### **UNIT II**

Final Accounts of insurance companies including balance sheet

#### **UNIT III**

Final accounts of banking companies including balance sheet

#### **UNIT IV**

Amalgamation – Absorption and external reconstruction of a company –  
(intercompany investments excluded) Concept of Hostile Takeover (Theory only)

#### **UNIT V**

Liquidation – Calculation of Liquidator's Remuneration - Liquidator's final statement  
of receipts and payments.

#### **REFERENCE BOOKS:**

1. R.L.Gupta – Corporate Accounting
2. T.S.Reddy & A.Murthy – Corporate Accounting
3. Shukla & Grewal – Advanced Accounting
4. Jain & Narang – Company Accounts
5. Chakraborty – Advanced Accountancy

## **CORE PAPER IX – PRACTICAL AUDITING**

### **UNIT I: Introduction**

Meaning and Definition of Auditing - Distinction between Auditing and Accounting - Objectives - Advantages and Limitations of Audit - Scope of Audit - Classifications of Audit - Audit Planning - Meaning. Audit programme - Meaning - Objectives and Contents - Audit Note Book, - contents, Usefulness of Audit Note Book - Audit working papers - Meaning. Ownership and Custody - Test checking and Routine checking - Meaning. Internal control - Meaning - Definition - Objectives - Technique for evaluation of Internal Control System. Internal check - Meaning - Objectives difference between Internal control, Internal check and Internal Audit .

### **UNIT II: Vouching and Verification**

Vouching - Meaning and Definitions - Objectives. Trading Transactions - Audit of Ledger-Scrutinizing of ledgers - Vouching of cash Receipts and Payments - Vouching of outstanding Assets and Liabilities - Verification - Meaning - Objectives and Process - Valuation of Assets and liabilities - Distinction between Verification and Valuation.

### **Unit III: Audit and Accounting Standards**

Types of Audit - Statutory Audit - Concurrent Audit - Stock Audit - Cost Audit - Secretarial Audit - CAG Audit - Management Audit. Accounting Standards - Standards on Auditing - Standards on Internal Audit - Penal Provisions - Role of National Financial Reporting Authority (NFRA)

### **Unit IV: Auditors and Audit Report**

Appointment - Procedures - Eligibility and Qualifications - Powers and Duties - Rotation and Removal of Auditors - Resignation of Auditors - Remuneration of Auditors - Audit report - Preparation and presentation. Auditor's Responsibilities and liabilities towards Shareholders, Board and Audit Committee. Restriction on other Services.

### **Unit V: Recent Trends in Auditing**

EDP Audit - Meaning - Division of auditing in EDP environment. Impact of Computerization on Audit Approach - Online Computer System Audit - Types of Online Computer System Audit - Audit around with the Computers - Procedure of Audit under EDP system.

### **SUGGESTED READINGS:**

1. Auditing, D.P. Jain Konark Publishers Pvt. Ltd.
2. Auditing, Principles and Practice, Ravinder Kumar and Virender Sharma, Eastern Economy Edition.
3. Practical Auditing, B.N. Tandon, Sultan Chand and Co., New Delhi.
4. Contemporary Auditing, Kamal Gupta, Tata Mc Graw Hill.
5. Practical Auditing, Dinkar Pagare, Sultan Chand & Sons
6. Sundar. K & Paari. K, Practical Auditing, Vijay Nicole Imprints Pvt. Ltd. Chennai

## **CORE PAPER X – BUSINESS TAXATION**

### **UNIT I**

Objectives of Taxation - Canons of Taxation - Tax system in India - Direct and Indirect Taxes - Meaning and Types.

### **UNIT II**

Customs Duty - Meaning - Levy and Collection of Customs Duty - Organisation of the Customs Department - Officers of the Customs - Powers - Appellate Machinery - Infringement of the law - Offences and Penalties - Exemption from customs Duty - Customs Duty Drawback - Duty Free Zones.

### **UNIT III**

GST (Goods and Service Tax), Background behind implementing GST- Problems with exiting systems – Centre Vs State pressure- Need for GST- Taxes covered by GST – Definition – Scope and Coverage – Scope of Supply – Levy of Tax- Taxable Event- Returns- Refunds- Input tax credit- Business Impact- Benefits of GST

### **UNIT IV**

Administrative Structure of GST – Officers as per CGST Act - Officers as per SGST Act – Jurisdiction – Appointment- Powers.

### **UNIT V**

Assessment and Audit under GST – Refunds, Demands and Recovery, Appeals and revision – Advance ruling- Offences and Penalties- Transitional Provisions under GST- GST in Tamilnadu.

### **SUGGESTED READINGS**

1. Indirect Taxation, Sultan Chand & Sons - V. Balachandran
2. GST Law & Practice, Taxman Publishers- Shweta Jain
3. GST in India, New Century Publications
4. Students Guide to Income Tax, Taxman Publications , Vinod K.Singhanian and Monica Singhanian
5. Layman's Guide on GST, Taxman Publications-. Datta, D C,

## **CORE ELCTIVE I - BUSINESS STATISTICS & OPERATION RESEARCH II**

### **UNIT I**

Index Numbers – Aggregative and relative Index – Chain and Fixed Index – Wholesale Index – Cost of Living Index.

### **UNIT II**

Probability – Addition and Multiplication Theorem – Conditional Probability – Baye's Theorem (without proof) – Simple Problems.

### **UNIT III**

Sampling Techniques – Types of Sample and Sampling Procedures – Tests of Significance – Normal, t, F, chi-square- Simple problems.

### **UNIT IV**

Assignment and Transportation Problems.

### **UNIT V**

Network Analysis – PERT and CPM (no crashing)

### **REFERENCE BOOKS**

1. Statistical Methods – S.P. Gupta
2. Introduction to Operations Research – Dr. P.R. Vittal
3. Statistics – Elhance
4. Operations Research – Hira and Gupta, S. Chand.
5. Operations Research – Handy and A. Taha.

## **NON-MAJOR ELECTIVE –II: BASICS OF PSYCHOLOGY**

### **UNIT I**

Introduction – Definition psychology as Science . A brief history of Psychology – Structuralism, Functionalism, Behaviorism, Gestalt Psychology , Psychoanalytic psychology, Humanistic Psychology. Approaches to Psychology – Behavioral , Psychodynamic Approach, cognitive Approach, Behavioral Neuroscience, Evolutionary psychology, Sociocultural approach, humanistic movement, positive psychology.

### **UNIT II**

Methods of psychology – Introduction to the Scientific Method, Research Methods: Descriptive Research – Observation, Surveys and Interviews, Standardized tests, Case Studies, Correlational Research, Experimental Research.

### **UNIT III**

Sensation and Attention Sensation – Definition, Sensory receptors and brain, Thresholds – absolute threshold, difference threshold, Subliminal perception, sensory adaptation, Sensory Gating, Selective Attention, Determinants of attention.

### **UNIT IV**

Perception – definition, Perceptual constancy, Perceptual organization, Depth perception, Motion perception , Perceptual learning, Motives and perception, Perceptual expectancy, Extra Sensory perception.

### **UNIT V**

Learning – The nature of Learning, Classical Conditioning – Principles and Applications, Operant Conditioning – Principles and Applications, Observational learning, Cognitive factors in learning – Latent learning , Insight learning.

### **REFERENCES:**

1. Santrock, J.W. (2006). Psychology Essentials (Updated 2<sup>nd</sup> ed.). new Delhi: Tata McGraw Hill.
2. Coon, D., & Mitterer, J.O.(2007). Introduction to Psychology (11<sup>th</sup> ed.). New Delhi: Cengage Learning India Pvt Ltd.

**SEMESTER V**  
**CORE PAPER XI – CREDIT MANAGEMENT**

**UNIT I: Introduction**

Bank Credit - Basic Principles and Approach - Three C's - Purpose of lending - Security aspects / Business Experience / Management - Market - Purpose Trading - Manufacturing Service, Agriculture, Personal - Security : Primary - Collateral - Stock, Machinery, Land and Building - Guarantee - Different types of Mortgages - Management/Experience: Business Experience - Technical Qualification - Professional Management - Market : Local - National - Global - Types of Credit - Demand Loan - Cash Credit - Overdraft - Term Loan - Basic Characteristics and difference between the four - Legal and Regulatory Aspect - Legal Documents - Loan Documents - RBI Directives - Various Committees - Tandon - Chore, Nayak and such other Committees - Brief details.

**UNIT II: Lending Policy**

Lending to Different Customers - Individuals - Partnership - Limited companies - Trust - Association - Legal aspects - Documents to be called for.

**UNIT III: Loans & Disbursement**

Loan Processing - Sanctioning - Monitoring - Recovering Commercial Loans Activity Based) - Government Sponsored Loans (mostly agricultural, Rural and Weaver section) - Trading: small - Retail - Wholesale - Chain / Supermarket - Manufacturing: Industrial Advances - Service Transport - Telecommunication - Hospital - Hotel. Infrastructure: Power - Petrol - Port - Agriculture: Crop - Plantation - Well - Motor Pump set - Tractor etc. Miscellaneous : Self - Employed. Business loan (Borrower Based) - Small Business : Self Employed - Transport - Trade - Hotel - Others - Approach - Assessment - Supervision - Recovery Medium and Large Scale: Small Scale Industries - Corporate - Approach - Assessment - Sanction - Disbursement - Follow Up - Recovery Agriculture : Small, Medium and Big Farmers - Short term and Medium term Loans - Corporate Borrowers. Government sponsored : Priority Sector lending - Lead Bank Scheme - Government sponsored loan to Weaver section - Subsidy.

**UNIT IV: Finance Function**

Corporate Finance - Project Finance - Appraisal - Assessment - Documentation - Disbursement - Monitoring - Follow Up - Review - Creation of Charge - Analysis of Balance sheet - Profit and Loss account - Cash flow and Fund flow working - Project approach

**UNIT V: N.P.A.**

NPA - Causes and Remedial Measures - Management of NPA's - Debt Recovery Tribunals - Asset Reconstruction Fund.

**SUGGESTED READINGS:**

1. Indian Institute of Bankers, Indian Financial System and Commercial Banking, IIB
2. Indian Institute of Bankers, Special and preferred sector Finance IIB
3. Indian Institute of Bankers, Management and Accounting and Financial Management ,IIB
4. Prudential Accounting Norms and Audit of Banks, Naganatham. M .and Jayaraman.
5. Annual Reports of RBI

## **CORE PAPER XII – FINANCIAL MANAGEMENT**

### **Unit I: Introduction**

Meaning and Objectives of Financial Management - Functions of Financial Management. Finance - Importance of Finance - Sources of Finance - Role of Financial Manager in Financial Management.

### **Unit II: Capital Structure**

Meaning - Factors affecting Capital Structure - Planning - Theories of Capital Structure - Determining Debt Equity Proportion - Leverage Concept.

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

Definition - Cost of Equity Capital - Cost of Preference Capital - Cost of Debt - Cost of Retained Earnings - Weighted Average (or) Composite cost of capital (WACC)

### **Unit IV: Dividend**

Meaning - Dividend Policies - Factors affecting Dividend Payment - Provisions on Dividend Payment in Company Law - Dividend Models - Walter's Model - Gordon's Model - M.M. Model - Hypothesis Model.

### **Unit V: Working Capital**

Working Capital - Meaning and importance - Factors Influencing Working Capital - Determining (or) Forecasting of Working Capital requirements - Working Capital Operating cycle.

### **SUGGESTED READINGS:**

1. I.M. Pandey, Financial Management, Vikas Publishing House
2. Prasanna Chandra, Financial Management, Tata McGraw Hill Publications
3. S.N. Maheswari, Financial Management, Sultan Chand & Sons
4. Y. Khan and Jain, Financial Management, Sultan Chand & Sons
5. P. Periyasamy.P, Financial Management, Vijay Nicole Imprints Pvt. Ltd. Chennai
6. Murthy A, Financial Management, Margam Publications, Chennai
7. Srivatsava, Financial Management, Himalaya Publications

## **CORE PAPER XIII – MARKETING OF BANKING SERVICES**

### **UNIT I: Introduction**

Marketing concepts and their Application to Banking Industry - Marketing Concepts and elements - Why Marketing? - Special features of Bank Marketing- Product and Service Marketing.

### **UNIT II: Environmental Banking**

Environmental Scanning - Assessment and Management of Competition - Macro and Micro factors influencing the market goods and services - Applicability to Banking - Banking regulation and its impact on Bank marketing strategies - Understanding competition - Identification of competition and their focus - Strategic benefits of Good competition - What makes a good competitor?.

### **UNIT III: Consumers on Modern Banking**

Customer Need Analysis and Customer Care : Customer Focus - Understanding Customer Need - Customer Care - Consumer motivation and Buying behaviour - Perception / behaviour - Other factors affecting buying behaviour - Decision making process - Individual and Organizational - Selective exposure - Selective distortion - and effect on consumer behaviour.

### **UNIT IV: Marketing & Banking Services**

Market Segmentation (banking) - Product Designing - Marketing - Feedback and Review - Purpose and content of product / Market expansion - Mass Marketing and Marketing Segmentation - Definition of Market Segmentation - Characteristics of a Viable Market Segment - Benefits from Market Segmentation - Disadvantages - Market Segmentation Techniques for personal and corporate customers.

### **UNIT V: MIR**

Market information Research - Definition of Marketing Research and Market Research - Differences - Contributions of Marketing Research to a Bank - Types of data - Primary and Secondary - Management Information System and Marketing Research - Need for situation analysis - Steps involved in the development of a Situation Analysis - objective, strategies and tactics - sources of information for situation analysis.

### **SUGGESTED READINGS:**

1. Indian Institute of bankers, Marketing of Banking Service, IIB
2. Rajeev, Marketing of Banking Service, MacMillan
3. Morz, Rarph, The formula for successful Marketing, Galotia Publication, 1991
4. Madhukar R.K, Dynamics of Bank Marketing, VBS publishers, 1990
5. Desai, Vasant, Principles of Bank Management, Himalaya Publication, 1993

## **CORE ELECTIVE II – TREASURY MANAGEMENT**

### **UNIT I: Introduction**

Asset Liability Management - Objective - Concept - Risk Management - Interest Risk.

### **UNIT II: Treasury Management**

Concept of Treasury Management - Employment of Statutory / Surplus funds - Need for Specialized approach in the Bank - Role and Functions of Treasury Department.

### **UNIT III: Money Market**

Domestic Money Market - Source of funds - Capital - Reserves - SLR - CRR - Surplus cash - Market Players.

### **UNIT IV: Securities**

Money Market Instruments and Players - Government Securities - Treasury Bill- CP - CD - Call Money Banks and Specified Institutions.

### **UNIT V: Foreign Treasury Management**

Foreign Currency Market - Combined Treasury Management - RBI and Regulatory Functions.

### **SUGGESTED READINGS:**

1. Treasury Investment and risk Management, IIB
2. Jack Clank Francis, Management of Investments - McGraw Hill International series
3. Jack Clank Francis, Investments, Analysis and Management, McGraw Hill International series.
4. Avadhani, V.A, Indian capital Market, Himalayam Publishing House (1997)
5. Frank fabozzi and Franco Modigliinni, Capital Markets, Prentice Hall (1996)

## **SEMESTER VI**

### **CORE PAPER XIV – MANAGEMENT ACCOUNTING**

#### **UNIT I**

anagement Accounting – Meaning, Scope, Importance and Limitations - Management Accounting vs. Cost Accounting - Management Accounting vs. Financial Accounting.

#### **UNIT II**

Analysis and interpretation of Financial Statements, nature, objectives, and tools – methods - Comparative Statements, Common Size Statement and Trend Analysis.

#### **UNIT III**

Ratio analysis - interpretation, benefits and limitations. Classifications of ratios - liquidity, profitability, turnover, capital structure and leverage.

#### **UNIT IV**

Fund Flow & Cash Flow Statements - Budget and budgetary control- meaning, objectives, merits and demerits - types of budgets- production, cash and flexible budgets.

#### **UNIT V**

Marginal Costing (excluding Decision-Making) - Absorption Costing and Marginal Costing - CVP Analysis - Break-Even Analysis - Break Even Chart.

#### **REFERENCE BOOKS**

1. Dr. Maheswari S.N.- Management Accounting
2. Chadwick- The Essence of Management Accounting
3. Charles T. Horngen and Gary N. Sundem- Introduction to management accounting
4. Sharma and Shashi K.Gupta- Management accounting
5. T.S. Reddy &Y. Hari Prasad Reddy.
6. Hansen/ Mowen- Cost management accounting and control.

## **CORE PAPER XV – INTERNATIONAL BANKING**

### **UNIT I: Introduction**

International Banking Vis-a-Vis Domestic Banking – Foreign Trade Financing - International Financial Transactions : Lending and Borrowing across borders.

### **UNIT II: Foreign Exchange Market**

Rate and Currency - Exchange rate determination under Fixed Exchange Rate and Floating Exchange Rate regimes - Determination of Exchange Rates : Spot and Forward - Basic Exchange Arithmetic - Forward Cover and Hedging.

### **UNIT III: International Financial Institutions**

Definition - Functions - World Bank - IMF - Asian Development Bank - International Financial Corporation - International Development Association.

### **UNIT IV: Sources of Exchange**

Sources of Foreign Exchange - Export Earnings - Invisible Export Earnings - Role of NRI Remittances - Foreign Direct Investment - Foreign Institutional Investment - External Commercial Borrowings - Global Depository Receipts - Offshore Borrowings.

### **UNIT V: Exchange Management**

Foreign Exchange Management - Composition of Foreign Exchange Reserves : Foreign Currencies - Gold and SDR - Current Account Convertibility - Capital Account Convertibility and Precautions.

### **SUGGESTED READINGS:**

1. Indian Institute of Bankers, International Banking, IIB
2. Indian Institute of Bankers, International Corporate Finance, IIB
3. Frederic S. Mishkin, "Understanding Financial Crisis, A Developing Country Perspective", In, Michael Bruno, ed. Annual World Bank Conference on Development Economics", 1996.
4. Indian Institute of Bankers Introduction to Foreign Trade, Foreign Exchange Risk Management, IIB
5. Gurusamy, Global Financial Institutions, Vijay Nicole Imprints, Chennai, 2015

## **CORE PAPER XVI – CUSTOMER RELATIONSHIP MANAGEMENT (CRM)**

### **UNIT I : Introduction**

Communication - Need / Mode of communication - Barriers, Channels of Communication  
- Oral - Written - Listening skill - Verbal skill - Interpersonal Communication and Intra Personal Communication, Essentials of Business letter.

### **UNIT II : Customer Relationship Management**

CRM - Concept and Approach - CR in Competitive Environment Public Relation and Image Building

### **UNIT III : Banker & Customer**

Banker - Customer Relationship - Retaining and Enlarging Customer Base - Customer services - Quality circle.

### **UNIT IV : Customer Services**

Nature and Types of Customer - Complaint Redressed Methods Talwar and Goiporia Committee Report, Customer Service Committee, Customer Day - Copra Forum - Ombudsman.

### **UNIT V : Marketing**

Market Segment - Customer Data Base - Market Research. Review and Evaluation of Customer Satisfaction.

### **SUGGESTED READINGS:**

1. Peeru Mohamed, H. & Sangadevan, A, Customers Relationship Management, A Step by step approach, Vikas Publishing House Private Limited, Noida.
2. Mukesh Chaturvedi Abhinav, Chaturvedi, Customers Relationship Management, An Indian Perspective, Excel Books, New Delhi

## **CORE ELECTIVE – III - MERCHANT BANKING**

### **OBJECTIVES**

1. Know the concept of financial services and their players
2. Learn the merchant banking
3. Analyze the legal aspects of leasing
4. Equip the terms of factoring venture capital
5. Familiarize with stock exchange in India

### **UNIT —1**

The concept of financial services—financial services and economic environment —legal and regulatory framework Securities Contracts (Regulations) Act— Financial institution — other players in the financial services sector.

### **UNIT—2**

Merchant Banking — procedural aspects of public issues, rights issues — prospectus; regulations and certification — under writing and managing public issues — SEBI guidelines — pricing of initial public issues—rating of new issues — raising foreign capital — inter corporate loans and fixed deposits

### **UNIT —3**

Introduction to leasing — legal aspects —tax aspects — accounting and reporting for leases —funding of leases — import leasing and cross border leasing — lease structuring and lease agreement — concept and features of hire purchase transaction :\_ fiat and effective rates of interest — difference between hire purchase and a lease.

### **UNIT-4**

Factoring —introduction and features —legal aspects — cost of factoring—recent development in the Indian context —factoring VS. bill discounting — consumer finance — credit card — financing schemes for consumer durables. Venture capital — concept and characteristics — evaluation of new project ideas and technology — innovation — venture capital industry in India — venture capital schemes and guidelines —tax and legal aspects — project investment consultation — Mutual funds — credit rating — CRISIL — ICRA.

### **UNIT-5**

Banks, FIs and stock exchange— Organisation and functions of stock exchange in India— Trade in stock exchange - role of depositories— Listing of securities - OTC Exchange. of India — NSE —. Janakiraman Committee Report.

### **REFERENCES:**

1. SEBI Guidelines 1992
2. K.Sriram, Handbook of Leasing, Hire Purchasing & Factoring. ICFAI Publications, 1991
3. J.N.Dhonkhar, A Treatise on Merchant Banking, New Delhi, Skylark Publications, 1990.
4. Vinod Kothari, Leasing, Hire Purchase and Consumer Credit. Wadhwa & Co., 1990.
5. Gladstone, Venture Capital investing, NY, Prentice Hall, 1988.
6. Verma J.C., Merchant Banking, New Delhi: Bharat Law House Pvt. Ltd., 1991.

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