PANJAB UNIVERSITY, CHANDIGARH-160014 (INDIA)
(Estd. under the Panjab University Act VII of 1947—enacted by the Govt. of India)

FACULTY OF BUSINESS MANAGEMENT & COMMERCE

SYLLABI

FOR

M.COM. (1st & 2nd SEMESTER SYSTEM)
EXAMINATIONS, 2012-2013

For Regular College/University/USOL Students

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SYLLABI AND COURSES OF READING FOR M. COM. (SEMESTER SYSTEM)
EXAMINATION, 2012-2013

Note:
1. The duration of the examination in each subject will be 3 hours.
2. Maximum marks for external/written examination are 80 marks and Internal Assessment is 20 marks.
3. The Marks for Internal Assessment will be divided as follows:
   For Regular Students
   (a) Attendance : 20%
   (b) Written Assignments : 30%
   (c) Mid Semester Test : 50%
   For University School of Open Learning (USOL) Students:
   100% Internal Assessment will be based on Written Assignments

N. B.: Use of non-programmable calculators by the students in the Examination Hall is allowed. The calculators will not be provided by the University.

INSTRUCTIONS TO THE PAPER SETTERS:

IF THERE ARE TWO UNITS: Set 10 questions in all. Five questions from each unit. The students are required to answer five questions in all selecting at least 2 questions from each unit.

IF THERE ARE THREE UNITS: Set 10 questions in all. Three or four questions from each unit. The students are required to answer five questions in all selecting at least one question and not more than two from each unit.

IF THERE ARE FOUR UNITS: Set 10 questions in all. Two or three questions from each unit. The students are required to answer five questions in all selecting at least one question from each unit.

IF THERE ARE FIVE UNITS: Set 10 questions in all. Two questions from each unit. The students are required to attempt five questions in all selecting one question from each unit.
## SCHEME OF EXAMINATION

### SEMESTER-I

<table>
<thead>
<tr>
<th>Paper</th>
<th>Code</th>
<th>Subject</th>
<th>Marks</th>
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<tbody>
<tr>
<td>1</td>
<td>M.C.101</td>
<td>MANAGERIAL ECONOMICS</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>M.C.102</td>
<td>QUANTITATIVE METHODS FOR BUSINESS</td>
<td>100</td>
</tr>
<tr>
<td>3</td>
<td>M.C.103</td>
<td>MODERN ACCOUNTING THEORY &amp; REPORTING PRACTICES</td>
<td>100</td>
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<tr>
<td>4</td>
<td>M.C.104</td>
<td>ORGANISATION THEORY AND BEHAVIOUR</td>
<td>100</td>
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<tr>
<td>5</td>
<td>M.C.105</td>
<td>MARKETING MANAGEMENT</td>
<td>100</td>
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<tr>
<td>6</td>
<td>M.C.106</td>
<td>MANAGEMENT INFORMATION SYSTEM</td>
<td>100</td>
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<tr>
<td>7</td>
<td>M.C.107</td>
<td>WORKSHOP ON IT APPLICATIONS IN COMMERCE</td>
<td>100</td>
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<tr>
<td></td>
<td></td>
<td>(For Regular Students Only)</td>
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<tr>
<td></td>
<td>M.C.107 A</td>
<td>IT APPLICATIONS IN COMMERCE (For USOL Students Only)</td>
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**Total**: 700 Marks

### SEMESTER-II

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<tbody>
<tr>
<td>1</td>
<td>M.C.201</td>
<td>BUSINESS ENVIRONMENT</td>
<td>100</td>
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<td>2</td>
<td>M.C.202</td>
<td>RESEARCH METHODOLOGY IN COMMERCE</td>
<td>100</td>
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<tr>
<td>3</td>
<td>M.C.203</td>
<td>FINANCIAL MANAGEMENT AND POLICY</td>
<td>100</td>
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<td>M.C.204</td>
<td>PRODUCTION AND MATERIALS MANAGEMENT</td>
<td>100</td>
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<td>M.C.205</td>
<td>OPERATIONS RESEARCH</td>
<td>100</td>
</tr>
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<td>6</td>
<td>M.C.206</td>
<td>BUSINESS POLICY &amp; STRATEGIC MANAGEMENT</td>
<td>100</td>
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<tr>
<td>7</td>
<td>M.C.207</td>
<td>SUMMER TRAINING REPORT AND VIVA VOCE (For Regular College Students)</td>
<td>100</td>
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<tr>
<td></td>
<td>M.C.207 A</td>
<td>ENTREPRENEURSHIP DEVELOPMENT AND PROJECT MANAGEMENT (For USOL Students Only)</td>
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**Or**

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**Total**: 700 Marks
SEMESTER-I

PAPER : 1 MC.101- MANAGERIAL ECONOMICS

Objective: The objective of the course is to acquaint students with the concepts of micro-economic theory and their use in business decision making. The effort is to make them capable of using various concepts to deal with business problems in a global economic environment.

UNIT-I


UNIT-II

The demand for a commodity: Individual’s demand, Market demand, and the firm demand; Price, Income & Cross elasticity of demand; Using elasticity’s in managerial decisions; Theories of consumer behavior.

UNIT-III

Pricing Practices and Risk Analysis: Price and Output relationship under different market structures; Pricing Theories; Pricing of multiple products; Price discrimination - International price discrimination & Dumping, Transfer Pricing; Risk and Uncertainties in managerial decision making; Measuring risk with probability distribution; Utility Theory and risk aversion.

UNIT-IV

Technological change and the global market economy: Impact of technological change on productivity, labor and market structure; Industrial innovation and technology and technological environmental forecasting.

Reference Books:
2. Varian, Micro-Economic Analysis (ed. 3), Norton.
Paper 2: MC. 102- QUANTITATIVE METHODS FOR BUSINESS

Objective: The objective of the course is to acquaint students with some of the important statistical techniques for managerial decision making. The emphasis will be on their applications to business and economic situations.

UNIT-I


UNIT-II

Statistical Estimation and hypothesis testing: Introduction to Hypothesis testing – Meaning of Population, sample and sampling distribution - parameters and statistics - Central limit theorem - Concept of Standard Error - Confidential limits - Estimation of population parameters - properties of a good estimator - Point and interval estimation – Hypothesis Formulation and testing procedure - Type I and Type II errors - one tail and two tail tests - Sampling of Attributes - Estimation and testing Number and Proportions of Successes, Difference between two proportions.

UNIT-III

Sampling Variables : Large Samples - Difference between large and small samples - Estimating population mean - testing the significance of Mean - Significance of the difference between means of two samples - Significance between the standard deviations of two samples - Small Samples - ‘t’ test - fixing fiducial limits to population mean – testing the significance of the mean - testing the significance of the difference between two independent means - testing the significance of the difference between two dependent means- F test - meaning - Applications of F test - ANOVA - Assumptions - Procedure - one way and two-way analysis of variance.

UNIT-IV


Reference Books:

SYLLABUS OF M.COM (SEMESTER SYSTEM) EXAMINATIONS


**Paper:3 MC. 103- MODERN ACCOUNTING THEORY & REPORTING PRACTICES**

**Objective:** In view of the convergence of the Indian Accounting Standards with the IFRS, it is desirable to equip the students with the required knowledge of International financial reporting standards and practices. The students are expected to achieve a clear conceptual understanding of the IFRS and possess sufficient knowledge expected out of an expert.

**UNIT-I**

The Regulatory and Financial Reporting Framework: The International Accounting Standards Board (IASB)-The role and the standard setting process. Progress towards international harmonization. The IASB-Framework for the Preparation and Presentation of Financial Statements; The first time adoption of international financial reporting standards : Objective of financial statements , Qualitative characteristics of financial statements , Elements of financial statements , Recognition and measurement of elements of financial statements , Fair value basis of measurement , Concepts of capital and capital maintenance.

**UNIT-II**


**UNIT-III**

Presentation and additional disclosures as per International Financial Reporting Standards (a). Events after the balance sheet date (b). Earnings per share (c). Related party disclosures (d). Interim financial reporting (e). Effects of changes in foreign exchange rates (f.) Segment reporting.

**UNIT-IV**

Preparation of external financial reports for single entities as per International Standards (a) Income statements and discontinuing operations (b) Cash flow statements (c) Statement of changes in equity
(d) Preparation of external financial reports for combined entities and joint ventures (e) Definitions of subsidiaries, investments in associates and joint ventures (f) Exclusions from consolidations (g) Preparation of consolidated balance sheets and income statements (h) Equity accounting (i) Proportionate consolidation and joint ventures.

**Reference Books:**

5. Bhabatosh Banerjee, Regulation of Corporate Accounting and Reporting in India, World Press.

**Paper: 4- MC.104- ORGANISATION THEORY AND BEHAVIOUR**

**Objective:** The objective of the course is to develop a theoretical understanding among students about the structure and behavior of organization as it develops over time. The course will also make them capable of realizing the competitiveness for firms.

**UNIT-I**


**UNIT-II**

Group Decision making and Communication: Concept and nature of decision making Process, Individual versus group decision making, Nominal group technique and Delphi technique, models of communication, communication effectiveness in organizations. Feedback, TA, Johari Window. Motivation: Need hierarchy, Maslow’s Need Hierarchy, Two factor theory, Contemporary theories of motivation (ERG, Cognitive evaluation, goal setting, and equity) expectancy model. Behaviour modification, Motivation and organizational Effectiveness.
UNIT-III


UNIT- IV

Organizational Culture, Organizational Development and Stress Management: Concept and determinants of organizational culture, Organizational Development: Concept and intervention techniques. Individual and organizational factors to stress, Consequences of stress on individual and organization, management of stress. Case Studies: Some cases of real business world are required to be discussed.

Reference Books:

2. Fred Luthans, Organizational Behavior, McGraw Hill.
7. McSchane, Organization Behavior, TMH.

Paper 5 : MC. 105- MARKETING MANAGEMENT

Objective: The objective of the course is to familiarize the students with the basic concepts and principles of marketing and to develop their conceptual and analytical skills to be able to manage marketing operations of a business firm.

UNIT-I

Introduction to Marketing Management ; Marketing- Meaning and approaches Role of Marketing in Organizations, 4Ps & beyond, Marketing Challenges Marketing Process and Marketing Planning, Marketing information system.
UNIT –II


UNIT –III


UNIT–IV


Reference Books:


Paper 6: MC. 106- MANAGEMENT INFORMATION SYSTEM

Objective: The objective of the paper is to offer a comprehensive overview of Management information systems (MIS). It will explore technical, strategic and tactical issues related to MIS. Basic concepts in analyzing and designing information systems will be presented.

UNIT-I

MIS Definition-Characteristics -Evolution of MIS: Concepts; framework for understanding and designing MIS in an organization; MIS and other related disciplines: MIS and Management Accounting,
MIS and Computer Science, MIS and OR, MIS and Organizational Behavior, MIS and Management. Concept of information; definition, features, types, process of generation and communication; quality of information; information overload; techniques for managing overload; summarizing; filtering; inferences and message routing. System concepts; definition, types and characteristics of system-control in systems: feedback: positive and negative; negative feedback control system, input, process and output control; law of requisite variety.

UNIT-II

Structure of MIS: Basic structural concepts: formal and informal information systems; public and private information systems; multiple approaches to the structure of MIS: Operational elements (physical components, process, outputs for users), activity subsystems, functional subsystems and decision support – synthesis of multiple approaches into a conceptual structure for MIS.

UNIT-III


UNIT-IV

Systems Development and Implementation: System development methodologies; SDLC approach; prototyping approach and user development approach- Systems Analysis; systems Design; Concepts of database and database design; system implementation; management of information system projects; system documentation – information system audit. Security of information resources; threats to information resources; security systems for risk management. Enterprise Resource Planning Systems –Features-ERP modules-implementation of ERP.

Reference Books:

Paper 7: MC. 107- WORKSHOP ON IT APPLICATIONS IN COMMERCE

(For Regular Students studying in Colleges/University Department Only)

Objective: The objective of the course is to expose the students with the use of IT technologies to solve business problems regarding various functional areas of business.

UNIT-I


UNIT-II

Introduction to Spread sheet- Understanding basic Features of Spread sheet – Statistical functions- Database Functions -Finance Functions - Logical statements and formula creation- Creating Charts.

UNIT-III

Building decision models and data analysis through Spreadsheets- Forecasting Analyzing Financial Statements using accounting ratios- Project Appraisal IRR,NPV, MIRR - Inventory management – EOQ and Quantity discounts- Leasing decisions – Flexible budgets -Break even analysis-goal seek- scenario management and pivot table applications.

UNIT-IV

Database management systems-Concept of database-features- components of DBMS Types of databases hierarchical, network, relational.-Normalization- Database administrator- Data warehousing- Data mining. Features of RDBMS -Database design and application development –Tables creation- relationships- Forms designing forms queries- types of queries- reports- report design-use of RDBMS in business decisions.

Note: The workshop will include (a) Regular training of the students in labs and through interactions with experts and presentations. (b) Assigning a project to the students as per the curriculum of the subject (c) Internal Examination to be conducted by the subject teacher (e) Presentation session of the students on the assigned project.

Reference Books:


**Paper 7: MC. 107 A - IT APPLICATIONS IN COMMERCE**

*(Theory Paper for USOL Students Only)*

**Objective:** The objective of the course is to expose the students with the use of IT technologies to solve business problems regarding various functional areas of business.

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Reference Books:

SEMMTER-II

Paper-1: M.C 201- BUSINESS ENVIRONMENT

Objective: The objective of the course is to acquaint students with the concepts of macro – economics and the macro environment in which a business organization operates. The course would also make the student capable of analyzing and understanding the macro economic policies of the government implemented from time to time and assess their impact on business.

UNIT-I

Business Environment: Cultural, social, political, technological, economic and legal environment - scanning - techniques of environmental forecasting - SWOT – Internal environment - their impact on policy formulation.

UNIT-II

Economic reforms in India - Liberalization - privatization and globalization – Competitive Strength of Indian industry - Impact of liberalization policy on different sectors – Foreign Investments policy in India. Multi-national corporations - Their participation in India – Their strategies, competitive strengths policies and performance.

UNIT-III


UNIT-IV


Reference Books:

3. Kazhmi Azhar , Business Policy, TMH.

**Paper 2: MC. 202 - RESEARCH METHODOLOGY IN COMMERCE**

**Objective:** The objective of this paper is to impart knowledge about various stages of the research processes and their application in Commerce and Management Education.

**UNIT-I**


**UNIT-II**


**UNIT-III**

Presentation of Information: - Analysis of information – Classification, tabulation & interpretation – Presentation of data & its application – Pictorial presentation – Composition of information (quotation, footnotes, bibliography- tables, standards, abbreviations)- style of writing. Coordinating contents: - Front matter (blank sheet, title page, dedication, preface, table of contents, list of tables, list of figures, list of appendices etc. ) – Text proper ( Chapter wise information ) – Back matter ( appendices, glossary, bibliography, index, blank sheet).
UNIT-IV


Reference Books:


Paper 3: MC. 203-FINANCIAL MANAGEMENT AND POLICY

Objective: The objective of the course is to acquaint the students with the basic analytical techniques and methods of financial management of business firms. The course also provides students the exposure to certain sophisticated and analytical techniques that are used for taking financial policy decisions.

UNIT-I


UNIT- II

Investment decisions; importance, difficulties, determining cash flows, methods of capital budgeting; risk analysis (risk adjusted discount rate methods and certainly equivalent methods) cost of different sources of raising capital; weighted average cost of capital.
UNIT- III


UNIT- IV

Determinants of dividend models—Walter, Gordon & M.M. models. Working Capital — meaning, need, determinants; estimation of working capital need; management of cash; inventory & receivable.

Reference Books:


Paper 4: MC. 204- PRODUCTION AND MATERIALS MANAGEMENT

Objective: To impart knowledge regarding production and management techniques, process, tools, and acquaint the students with the knowledge of marketing functions, techniques and strategies.

UNIT-I

UNIT-II


UNIT-III


UNIT-IV


Reference Books:

5. R. Panneerselvan, Production and Operations Management, Prentice Hall of India.
7. Mukhoipadhyay, Production Planning and Control, TMH.

Paper 5 : MC. 205- OPERATIONS RESEARCH

Objective: To understand the concepts and techniques of Operations Research for business decision making and to acquire required skills to solve various problems in OR.

UNIT-I

Operations Research: Evolution, methodology and role in decision making; Linear programming: Meaning, assumptions, advantages, scope and limitations: Formulation of Problem and its solution by graphical and simplex methods (Including Big M Method and Two Phase Simplex Method); special cases in simplex method; infeasibility, degeneracy, unbounded ness and multiple optimal solutions; duality. Dual Simplex Method.
UNIT-II

Transportation problems including transshipment problems; Special cases in transportation problems; unbalanced problems, degeneracy; maximization objective and multiple optimal solutions; assignment problems including traveling salesman’s problem. Special cases in assignment problems; unbalanced problems, maximization objective and multiple optimal solutions.

UNIT-III

PERT/CPM: Difference between PERT and CPM, network construction, calculating EST, EFT, LST, LFT and floats, probability considerations in PERT, time cost trade off. Decision theory: decision making under uncertainty and risk, Bayesian analysis, decision trees. Replacement problem (Individual and Group replacement problems both).

UNIT-IV

Game theory, pure and mixed strategy games; principle of dominance; two person zero sum game; Queuing theory: concept, assumptions and applications; analysis of queue system, Poisson distributed arrivals and exponentially distributed service time model (MMI and MMK); simulation; meaning, process, advantages, limitations and applications.

Reference Books:


Paper 6: MC. 206- BUSINESS POLICY & STRATEGIC MANAGEMENT

Objective: The objective of the course is to help the students develop an understanding of the basic inputs in making and implementing corporate strategic decisions and also familiarize them with the issues and practices involved.

UNIT-I

Strategic Management - An Introduction - Evolution of business policy as a discipline - Strategy and the

UNIT-II


UNIT-III


UNIT-IV


Reference Books:

Paper 7: MC. 207- SUMMER TRAINING REPORT AND VIVA VOCE  
(For Regular Students Only)

After the Completion of Second Semester Examination the students will go on 6-8 Weeks summer training in various Industrial undertakings, banking and financial services institutions, and Retail Sector organizations, undertake a project there to study a particular problem and file three copies of summer training report with in 15 days completion of the training. The student has to file a certificate of completion of training issued by training organization. A VIVA-VOCE Examination will be conducted by the External examiner appointed by the University on the problems undertaken in the summer training report. Principal of the College/Chairperson of the Department must appoint one internal supervisor for the guidance of the student regarding the Summer Training Project. The List of the internal supervisors so appointed must be communicated to the Controller of examination with in 10 days from the date of appointment. The Internal supervisor will also be acting as Internal Examiner at the time of Conduct of VIVA-VOCE and sit with External Examiner.

Paper 7: MC. 207 A- ENTREPRENEURSHIP DEVELOPMENT & PROJECT MANAGEMENT  
(For USOL Students Only)

Objective: The purpose of this paper is to prepare a ground where the students view Entrepreneurship as a desirable and feasible career option. In particular the paper seeks to build the necessary competencies and motivation for a career in Entrepreneurship.

UNIT-I


UNIT-II

Theories of Entrepreneurship: Innovation Theory by Schumpeter & Imitating Theory of High Achievement by McClelland X-Efficiency Theory by Leibenstein Theory of Profit by Knight Theory of Social change by Everett Hagen Influences on development
UNIT-III

Project Management Technical, Financial, Marketing Personnel and Management feasibility Reports. Financial schemes offered by various financial institutions like Commercial Banks, IDBI, ICICI, SIDBI, SFCs, Venture Capital Funding, Angle Capitalist.

UNIT-IV


Recommended Books:-

Paper 7: MC.207-B- FINANCIAL SERVICES
(For USOL Students Only)

Objective: To provide insight to the structure, working and problems of financial, system in India as well as to enable students to appreciate and understand the concepts, mechanism and utility of different financial services.

UNIT – I

An overview of Indian financial system: Introduction, structure, components and mechanism of the financial system. Financial Services: An overview. Introduction to SEBI.
UNIT–II

Merchant Banking: Functions and SEBI regulations and Non Fund-based and Fund-based activities including role in mobilization of funds. Depository Services in India (including regulatory aspects).

UNIT–III

Leasing-Introduction, financial evaluation of lease from lessor’s and lessee’s point of view, lease structuring, Tax, legal and accounting aspects especially in Indian context. Factoring: Features, process and agreement for factoring.

UNIT–IV


REFERENCE:

1. L.M. Bhole  
   Financial Institutions and Markets
2. J.C. Verna  
   Merchant Banking Organisation and Management
3. Lalit K. Bansal  
   Merchant Banking and Financial Services
4. M.Y.Khan  
   Financial Services
5. V.A. Avadhani  
   Investment and Securities Markets in India.
6. S. Ramesh & Arun Gupta  
   Venture Capital and Indian Financial Sector.