BANGALORE UNIVERSITY

B.Com. INSURANCE & ACTUARIAL STUDIES (CBCS) DEGREE
SEMESTER SCHEME SYLLABUS 2017 – 2018

DEPARTMENT OF COMMERCE
Central College Campus, Bengaluru – 560 001.
I. OBJECTIVES:
1. To cater to the manpower needs of companies in Accounting, Taxation, Auditing, Financial analysis and Management.
2. To develop business analysts for companies, capital markets and commodity markets.
3. To prepare students to take up higher education to become business scientists, researchers consultants and teachers, with core competencies.
4. To develop human resources to act as think tank for Business Development related issues.
5. To develop entrepreneurs.
6. To develop business philosophers with a focus on social responsibility and ecological sustainability.
7. To develop IT enabled global middle level managers for solving real life business problems and addressing business development issues with a passion for quality competency and holistic approach.
8. To develop ethical managers with interdisciplinary approach.
9. To prepare students for professions in the field of Accountancy - Chartered Accountancy, Cost and Management Accountancy, Company Secretary, Professions in Capital and Commodity Markets, Professions in life and non life insurance and professions in Banks by passing the respective examinations of the respective professional bodies.
10. Also to develop the students for competitive examinations of UPSC, KPSC, BSRB, Staff Selection Commission, etc.

II. ELIGIBILITY FOR ADMISSION:
Candidates who have completed Two year Pre–University course of Karnataka State or its equivalent with Business Studies and Accountancy as two major subjects of study in both first and second year pre-university are eligible for admission into this course.

III. DURATION OF THE COURSE:
The course of study is four (04) years of Eight Semesters. A candidate shall complete his/her degree within eight (08) academic years from the date of his/her admission to the first semester. However, students successfully complete Two (02) years of the course and leave the course, will be awarded Diploma in Commerce. Students successfully completes Three (03) years of the course will be awarded Bachelors Degree in Commerce (B.Com.). An option is provided to the students to continue the course to the Fourth year and those who successfully complete the Fourth year will be awarded Bachelors Degree in Commerce (Hon.) {B.Com, (Insurance & Actuarial Studies)}.

IV. MEDIUM OF INSTRUCTION
The medium of instruction shall be English. However, a candidate will be permitted to write the examination either in English or in Kannada.

V. CLASS ROOM STRENGTH OF STUDENTS
There shall be Maximum of 60 students in each section.
VI. ATTENDANCE:
   a. For the purpose of calculating attendance, each semester shall be taken as a Unit.
   b. A student shall be considered to have satisfied the requirement of attendance for the semester, if he/she has attended not less than 75% in aggregate of the number of working periods in each of the subjects compulsorily.
   c. A student who fails to complete the course in the manner stated above shall not be permitted to take the University examination.

VII. COURSE MATRIX
   (i) Annexure – 1 for B.Com Course Matrix
   (ii) B.Com (Vocational) and BA (Restructured), the changes made in 2012-13 is retained

VIII. TEACHING AND EVALUATION:

M.Com/MBA/MFA/MBS graduates with B.Com, B.B.M, BBA & BBS as basic degree from a recognized university are only eligible to teach and to evaluate the subjects (excepting languages, compulsory additional subjects and core Information Technology related subjects) mentioned in this regulation. Languages and additional subjects shall be taught by the graduates as recognized by the respective board of studies.

VIII. SKILL DEVELOPMENT / RECORD MAINTENANCE AND SUBMISSION:

   a. Every college is required to establish a dedicated business lab for the purpose of conducting practical/on line assignments to be written in the record.
   b. In every semester, the student should maintain a Record Book in which a minimum of 5 exercises/programs per subject are to be recorded. This Record has to be submitted to the Faculty for evaluation at least 15 days before the end of each semester.

IX. SCHEME OF EXAMINATION:

   a. There shall be a university examination at the end of each semester. The maximum marks for the university examination in each paper shall be 70.
   b. Of the 30 marks of Internal Assessment, 20 marks shall be based on Two tests. Each test shall be of at least 01 hour duration to be held during the semester. The average of two tests shall be taken as the internal assessment marks. The remaining 10 marks of the Internal Assessment shall be based on Attendance and Skill Development Record of 05 marks each.
   c. The marks based on attendance shall be awarded as given below:
      - 75% to 80% = 02 marks.
      - 81% to 85% = 03 marks.
      - 86% to 90% = 04 marks.
      - 91% to 100% = 05 marks.
   d. Marks for skill development shall be awarded by the faculty concerned based on Skill Development exercises provided in the syllabus of each paper. The student is required to prepare/workout the concerned exercises in a Record Book maintained by him/her and shall submit it the faculty concerned at least 15 days before the last date of the semester.

X. APPEARANCE FOR THE EXAMINATION:

   a) A candidate shall apply for all the parts in each examination when he/she appears for the first time. A candidate shall be considered to have appeared for the examination only if he/she has
submitted the prescribed application for the examination along with the required fees to the university.

b) A candidate who has passed any language under Part-I shall be eligible to claim exemption from the study of the language if he/she has studied and passed the language at the corresponding level.

c) Further, candidates shall also be eligible to claim exemption from studying and passing in those commerce subjects which he/she has studied and passed at the corresponding level, subject to the conditions stipulated by the university.

d) A candidate who is permitted to seek admission to this degree course on transfer from any other University shall have to study and pass the subjects which are prescribed by the University. Such candidates shall not however, be eligible for the award of ranks.

XI. MINIMUM FOR A PASS:

Candidates who have obtained a minimum of 35% marks in university examination (i.e. 25 marks out of 70 marks of theory examination) and 40% in aggregate (i.e., total of university examination and internal assessment marks) in each subject shall be eligible for a pass or exemption in that subject.

XII. CLASSIFICATION OF SUCCESSFUL CANDIDATES:

1. The results of the First to Sixth semester degree examination shall be declared and classified separately as follows:
   a. First Class: Those who obtain 60% and above of the total marks of parts I, II and III.
   b. Second Class: Those who obtain 50% and above but less than 60% of total marks of parts I, II and III.
   c. Pass Class: Rest of the successful candidates who secure 40% and above but less than 50% of marks in part I, II and III.

2. Class shall be declared on the basis of the aggregate marks obtained by the candidates in this degree course (excluding languages (part I) and non-core subjects (Part III)) as a whole. However, only those candidates who have passes each semester university examination in the first attempt only shall be eligible for award of ranks. The first ten ranks only shall be notified.

XIII. MEDALS AND PRIZES:

No candidates passing an external examination shall be eligible for any scholarship, fellowship, medal, prize or any other award.

XIV. TERMS AND CONDITIONS:

a) A candidate is allowed to carry all the previous un-cleared papers to the subsequent semester/semesters.

b) Such of those candidates who have failed/remained absent for one or more papers henceforth called as repeaters, shall appear for exam in such paper/s during the three immediately succeeding examinations. There shall be no repetition for internal assessment test.

c) The candidate shall take the examination as per the syllabus and the scheme of examination in force during the subsequent appearances.

XV. PATTERN OF QUESTION PAPER:

Each theory question paper shall carry 70 marks and the duration of examination is 3 hours. The
Question paper shall ordinarily consist of three sections, to develop testing of conceptual skills, understanding skills, comprehension skills, articulation and application of skills. The question paper setter shall be asked to prepare TWO sets of papers with a maximum of 10% repetition. The Question Paper will be as per the following Model:

<table>
<thead>
<tr>
<th>SECTION-A</th>
<th>(Conceptual questions) Answer any Five</th>
<th>(05 X 02 = 10 Marks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. a,b,c,d,e,f,g,</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SECTION -B:</th>
<th>(Analytical questions) Answer any Three</th>
<th>(03 X 06 = 18 Marks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,3,4,5,6.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SECTION-C:</th>
<th>(Essay type questions) Answer any THREE</th>
<th>(03 X 14 = 42 Marks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,8,9,10,11.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total 70 Marks

XVI. PROVISION FOR IMPROVEMENT OF RESULTS:

The candidate shall be permitted to improve the results of the whole examination or of any Semester or a subject within the prescribed time by the university after the publication of the results. This provision shall be exercised only once during the course and the provision once exercised shall not be revoked. The application for improvement of results shall be submitted to the Registrar (Evaluation) along with the prescribed fee.

XVII. REMOVAL OF DIFFICULTY AT THE COMMENCEMENT OF THESE REGULATIONS:

If any difficulty arises while giving effect to the provision of these Regulations, the Vice Chancellor may in extraordinary circumstances, pass such orders as he may deem fit.
## I SEMESTER

<table>
<thead>
<tr>
<th>Subjects</th>
<th>Paper</th>
<th>Instruction hrs/week</th>
<th>Duration of Exam(hrs)</th>
<th>Marks</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part 1 Languages</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Language - I: Kannada/Sanskrit/Urdu/Tamil/Telugu/Malayalam/Additional English / Marathi/ Hindi</td>
<td>1.1</td>
<td>4</td>
<td>3</td>
<td>20 80 100</td>
<td>2</td>
</tr>
<tr>
<td>Language – II : English</td>
<td>1.2</td>
<td>4</td>
<td>3</td>
<td>20 80 100</td>
<td>2</td>
</tr>
<tr>
<td><strong>Part 2 Optional</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Accounting</td>
<td>1.3</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td>Indian Financial System</td>
<td>1.4</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td>Marketing and Services Management</td>
<td>1.5</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td>Introduction to Actuarial Science and Management</td>
<td>1.6</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td><strong>Part 3</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundation Course*</td>
<td></td>
<td></td>
<td></td>
<td>20 80 100</td>
<td>2</td>
</tr>
<tr>
<td>CC &amp; EC*</td>
<td></td>
<td></td>
<td></td>
<td>50 50 1</td>
<td></td>
</tr>
</tbody>
</table>

**Total Credits** 15

## II SEMESTER

<table>
<thead>
<tr>
<th>Subjects</th>
<th>Paper</th>
<th>Instruction hrs/week</th>
<th>Duration of Exam(hrs)</th>
<th>Marks</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Part 1 Languages</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Language - I: Kannada/Sanskrit/Urdu/Tamil/Telugu/Malayalam/Additional English / Marathi/ Hindi</td>
<td>2.1</td>
<td>4</td>
<td>3</td>
<td>20 80 100</td>
<td>2</td>
</tr>
<tr>
<td>Language – II : English</td>
<td>2.2</td>
<td>4</td>
<td>3</td>
<td>20 80 100</td>
<td>2</td>
</tr>
<tr>
<td><strong>Part 2 Optional</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced Financial Accounting</td>
<td>2.3</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td>Retail Management</td>
<td>2.4</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td>Banking Law and Operations</td>
<td>2.5</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td>Fundamentals of Mathematics and Statistics.</td>
<td>2.6</td>
<td>4</td>
<td>3</td>
<td>30 70 100</td>
<td>2</td>
</tr>
<tr>
<td><strong>Part 3</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundation Course*</td>
<td></td>
<td></td>
<td></td>
<td>20 80 100</td>
<td>2</td>
</tr>
<tr>
<td>CC &amp; EC*</td>
<td></td>
<td></td>
<td></td>
<td>50 50 1</td>
<td></td>
</tr>
</tbody>
</table>

**Total Credits** 15
### III SEMESTER

<table>
<thead>
<tr>
<th>Part 1 Language</th>
<th>Subjects</th>
<th>Paper</th>
<th>Instruction hrs/week</th>
<th>Duration of Exam(hrs)</th>
<th>Marks</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Language: I Kannada/Sanskrit/Urdu/Tamil/Telugu/Malayalam/Additional English/Marathi/Hindi</td>
<td>3.1</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Language – II: English</td>
<td>3.2</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td>Part 2 Optional</td>
<td>Corporate Accounting</td>
<td>3.3</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Financial Management</td>
<td>3.4</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Business Ethics</td>
<td>3.5</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Finance &amp; Financial Mathematics</td>
<td>3.6</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Public Relations and Corporate Communication</td>
<td>3.7</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td>Part 3</td>
<td>Foundation Course*</td>
<td>3.8</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>CC &amp; EC*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Total Credits: 17

### IV SEMESTER

<table>
<thead>
<tr>
<th>Part 1 Language</th>
<th>Subjects</th>
<th>Paper</th>
<th>Instruction hrs/week</th>
<th>Duration of Exam(hrs)</th>
<th>Marks</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Language - I Kannada/Sanskrit/Urdu/Tamil/Telugu/Malayalam/Additional English/Marathi/Hindi</td>
<td>4.1</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Language – II: English</td>
<td>4.2</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td>Part 2 Optional</td>
<td>Advanced Corporate Accounting</td>
<td>4.3</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Cost Accounting</td>
<td>4.4</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>E-Business and Accounting</td>
<td>4.5</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Stock and Commodity Markets</td>
<td>4.6</td>
<td>4</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Principles of Event Management</td>
<td>4.7</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td>Part 3</td>
<td>Foundation Course*</td>
<td>4.8</td>
<td>3</td>
<td>3</td>
<td>100</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>CC &amp; EC*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Total Credits: 17
### V SEMESTER

<table>
<thead>
<tr>
<th>Subjects</th>
<th>Paper</th>
<th>Instruction hrs/week</th>
<th>Duration of Exam(hrs)</th>
<th>Marks</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurship Development</td>
<td>5.1</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>International Financial Reporting Standards</td>
<td>5.2</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Income Tax – I</td>
<td>5.3</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Costing Methods</td>
<td>5.4</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Elective – I</td>
<td>5.5</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Elective – II</td>
<td>5.6</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Part 3</td>
<td>SDC</td>
<td>3</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total Credits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
</tr>
</tbody>
</table>

#### VI SEMESTER

<table>
<thead>
<tr>
<th>Subjects</th>
<th>Paper</th>
<th>Instruction hrs/week</th>
<th>Duration of Exam(hrs)</th>
<th>Marks</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Regulations</td>
<td>6.1</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Principles and Practice of Auditing</td>
<td>6.2</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Income Tax – II</td>
<td>6.3</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Management Accounting</td>
<td>6.4</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Elective – I</td>
<td>6.5</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Elective – II</td>
<td>6.6</td>
<td>4</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Part 3</td>
<td>SDC</td>
<td>3</td>
<td>3</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td><strong>Total Credits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>20</td>
</tr>
</tbody>
</table>

### ELECTIVE GROUPS

#### 1. FINANCE & ACTUARIAL STUDIES

<table>
<thead>
<tr>
<th>Semester No.</th>
<th>Paper No.</th>
<th>Title of the Paper</th>
</tr>
</thead>
<tbody>
<tr>
<td>V</td>
<td>5.5</td>
<td>Statistics &amp; Models</td>
</tr>
<tr>
<td></td>
<td>5.6</td>
<td>Long Term Actuarial Mathematics</td>
</tr>
<tr>
<td>VI</td>
<td>6.5</td>
<td>Short Term A Actuarial Mathematics</td>
</tr>
<tr>
<td></td>
<td>6.6</td>
<td>Models &amp; Audit Trails</td>
</tr>
</tbody>
</table>
1. **Foundation, Skill Development or Interdisciplinary Courses (Foundation Course*)**
   (Common for all programmes):
   - Constitution of Indian and Human Rights
   - Environment and Public Health
   - Computer Applications and Information Technology
   - Business Entrepreneurship and Management
   - Philosophy, Psychology and Life Skills
   - Personality Development and Leadership / Integrating Mind, Body and Heart
   - Indian History, Culture and Diversity
   - Research Methodology
   - Education and Literacy / Science and Life
   - Human Resource Development .Management
   - One of the Foreign Languages such as German, French etc.
   - Any other Course prescribed by the University from time to time
   - Commodity & Stock Market
   - Mathematics in finance.

2. **Co-and Extra – Curricular Activities (CC& EC*)**
   A student shall opt for any one of the following activities in the first four semesters offered in the college
   - N.S.S / N.C.C./Rotary Activities / Rovers and Rangers
   - Sports and Games / Activities related to Yoga
   - A Small project work concerning the achievements of Indian in different fields
   - Evolution of study groups/seminar circles on Indian thoughts and ideas
   - Interaction with local communities in their neighborhood and learn about and from them
   - Exploring different aspects of Indian civilizations
   - Other activities such as Cultural Activities as prescribed by the University.

Evaluation of Co-and Extra Curricular Activities is as per the procedure evolved by the University from time to time.
OBJECTIVE:
The objective of this subject is to acquaint students with the accounting concepts, tools and techniques influencing Business Organizations.

Unit 1: INTRODUCTION TO FINANCIAL ACCOUNTING 08 Hrs

Unit 2: CONVERSION OF SINGLE ENTRY INTO DOUBLE ENTRY SYSTEM 12 Hrs

Unit 3: HIRE PURCHASE SYSTEM 12 Hrs

Unit 4: ROYALTY ACCOUNTS 12 Hrs

Unit 5: CONVERSION OF PARTNERSHIP FIRM INTO A LIMITED COMPANY 12 Hrs

SKILL DEVELOPMENT
- List out various accounting concepts and conventions (GAAP)
- List out Various Accounting Standards
- Collection & recording of Royalty agreement with regard to any suitable situation.
- Collection and recording of Hire Purchase Agreement.
- Ascertainment of Cash Price and Interest with imaginary figures under Hire Purchase System.

BOOKS FOR REFERENCE
2. Jawaharlal & Seema Srivastava :Financial Accounting, HPH
3. Dr. S.N. Maheswari: Financial Accounting, Vikas Publications
6. Radhaswamy and R.L. Gupta: Advanced Accounting , Sultan Chand
8. Soundarajan & K. Venkataramana, Financial Accounting, SHBP.
9. Dr. Venkataraman & others (7 lecturers): Financial Accounting, VBH
10. Dr. Alice Mani: Financial Accounting, SBH.
1.4 INDIAN FINANCIAL SYSTEM

OBJECTIVE
The objective of this subject is to familiarize the students with regard to structure, organization and working of financial system in India.

Unit 1: FINANCIAL SYSTEM 12 Hrs

Unit 2: FINANCIAL INSTITUTIONS 14 Hrs
Types of Banking and Non-Banking Financial Institutions. Constitution, objectives & functions of IDBI, SFCs, SIDCs, LIC, EXIM Bank. Mutual Funds – features and types.

Unit 3: COMMERCIAL BANKS 10 Hrs

Unit 4: REGULATORY INSTITUTIONS 10 Hrs
Reserve Bank of India (RBI) – Organization – Objectives – Role and Functions. The Securities Exchange Board of India (SEBI) – Organization and Objectives.

Unit 5: FINANCIAL SERVICES 10 Hrs

SKILL DEVELOPMENT
- Draft a chart showing the financial services in the Indian Financial System.
- List the Instruments traded in the Financial Markets.
- Draft the application forms for opening a Fixed, Current and Savings Bank Accounts.
- Collection and recording for Foreign Exchange rates of different currencies Vis-à-vis Rupee.
- Specimen of Debit and Credit cards.
- Specimen of Cheque with MICR technology.

BOOKS FOR REFERENCE
1. Vasantha Desai: The Indian Financial System, HPH
2. G. Ramesh Babu; Indian Financial System. HPH
5. Dr. Alice Mani: Indian Financial System, SBH.
7. M Y Khan: Indian Financial System, TMH
8. A Datta ; Indian Financial System, Excel Books
13. K. Venkatramana, Indian Financial System, SHBP.
OBJECTIVE:
The objective is to familiarize the students with the principles of marketing and focus them towards Marketing and Management of Services

Unit 1: INTRODUCTION TO MARKETING

Unit 2: MARKETING ENVIRONMENT

Unit 3: MARKETING MIX

Unit 4: INTRODUCTION TO SERVICES MANAGEMENT
Meaning of services – characteristics of services – classification of services – marketing mix in service industry – growth of service sector in India. Service processes – Designing the service process – service blueprint – back office & front office process. 10Hrs

UNIT 5: SERVICE SECTOR MANAGEMENT
Tourism and Travel Services – concept, nature, significance and marketing. Health Care services – concept, nature, significance and marketing. Educational services - concept, nature, significance and marketing. 08 Hrs

SKILL DEVELOPMENT
- Identify the product of your choice and describe in which stage of the product life cycle it is positioned.
- Suggest strategies for development of a new product.
- Study of Consumer Behaviour for a product of your choice.
- Develop an Advertisement copy for a product.
- Prepare a chart for distribution network for different products.

BOOKS FOR REFERENCE
1. Dr. Shajahan. S; Service Marketing (Concept, Practices & Cases); Himalaya Publishing House; Mumbai; First Edition – Financial Service in India.
2. Philip Kotler - Marketing Management, PHI
5. Dr. Alice Mani: Marketing & Services Management, SBH.
6. J.C. Gandhi - Marketing Management, TMH
7. Stanton W.J. etzal Michael & Walker, Fundamentals of Management, TMH
9. K. Venkatramana, Marketing Management, SHBP.
11. Sontakki, Marketing Management, HPH
14. K. Karunakaran; Marketing Management, HPH.
OBJECTIVES:
To understand the basic knowledge about Actuarial Science and Management.

Unit I: CONCEPT OF ACTUARY 10 Hrs
Meaning and Definition of Actuary; Nature and Characteristics of Actuarial Sciences; Scope of Actuary; Actuarial Skill sets; Careers in actuary. Role of Actuary in Business

Unit II: EVOLUTION OF ACTUARIAL SCIENCES 12 Hrs
History, Early Actuaries, Technological advances; Actuarial science related to Modern Financial Economics; Actuaries in criminal justice.

Unit III: RISK AND RISK MANAGEMENT PROCESS 14 Hrs

Unit IV: CONCEPT OF INSURANCE 10 Hrs
History and Development of Insurance (life and non life insurances :) Concepts of insurance, the business of insurance, Insurance Markets – intermediaries and customers, the need for professionalism in insurance business, continued professional Development, Insurance education and training.

Unit V: THE INSURANCE CONTRACT 10 Hrs
Meaning and definition and essential elements of simple contract, Principles of insurance, Types of insurance, Life and non life insurance products.

SKILL DEVELOPMENT

BOOKS FOR REFERENCE
1.
OBJECTIVE:
The objective of this subject is to acquaint the students with the few accounting standards and make them familiar with the accounting procedures for different types of business.

Unit 1: INSURANCE CLAIMS  12 Hrs

Unit 2: CONSIGNMENT ACCOUNTS  12 Hrs

Unit 3: ACCOUNTING FOR JOINT VENTURES  12 Hrs

Unit 4: BRANCH ACCOUNTS  10 Hrs

Unit 5: DEPARTMENTAL ACCOUNTS  10 Hrs
Meaning, Objectives, basis of allocation of expenses, Trading and Profit and Loss Account in Columnar form – (Excluding Inter Departmental Transfers at invoice price)

SKILL DEVELOPMENT
- Preparation of a claim statement with imaginary figures to submit to Insurance Company.
- Collection of transactions relating to any branch and prepare a branch account.
- List out the basis of Allocation of Departmental Expenses.
- Preparation of Consignment account with imaginary figures
- Preparation of Joint accounts with imaginary figures

BOOKS FOR REFERENCE:
1. Arulanandam & Raman; Advanced Accountancy, HPH
2. Anil Kumar – Advanced Financial Accounting HPH
3. Dr. Alice Mani: Advanced Financial Accounting, SBH.
4. Dr. S.N. Maheswari, Financial Accounting, Vikas Publication
8. Radhashwamy and R.L. Gupta, Advanced Accounting, Sultan Chand
9. M.C. Shukla and Grewel, Advanced Accounting, S Chand
2.4 RETAIL MANAGEMENT

OBJECTIVE
The objective is to enable students to acquire skills in Retail Management.

Unit 1: INTRODUCTION TO RETAIL BUSINESS 10 Hrs.

Unit 2: CONSUMER BEHAVIOUR IN RETAIL BUSINESS 12 Hrs.

Unit 3: RETAIL OPERATIONS 10 Hrs.

Unit 4: RETAIL MARKETING MIX 16 Hrs.

Unit 5: IMPACT OF INFORMATION TECHNOLOGY IN RETAILING 08 Hrs.
Non store retailing (e-retailing) - The impact of Information Technology in retailing - Integrated systems and networking – EDI – Bar coding – Electronic article surveillance – Electronic shelf labels – customer database management system. Legal aspects in retailing, Social issues in retailing, Ethical issues in retailing.

SKILL DEVELOPMENT
- Draw a retail life cycle chart and list the stages
- Draw a chart showing a store operations
- List out the major functions of a store manager diagrammatically
- List out the current trends in e-retailing
- List out the Factors Influencing in the location of a New Retail outlet.

BOOKS FOR REFERENCE
1. Suja Nair; Retail Management, HPH
2. Karthic – Retail Management, HPH
3. S.K. Poddar& others – Retail Management, VBH.
4. R.S Tiwari ; Retail Management, HPH
5. Barry Bermans and Joel Evans: "Retail Management – A Strategic Approach", 8th edition, PHI/02
7. Swapna Pradhan : Retailing Management, 2/e, 2007 & 2008, TMH
8. K. Venkataramana, Retail Management, SHBP.
10. A Sivakumar : Retail Marketing , Excel Books
13. Rosemary Varley, Mohammed Rafiq:- Retail Management
16. Araif Sakh : Retail Management
2.5 BANKING LAW AND OPERATIONS

OBJECTIVE
The objective is to familiarize the students with the law and operations of Banking.

Unit 1: NEGOTIABLE INSTRUMENTS 10 Hrs

Unit 2: BANKER AND CUSTOMER RELATIONSHIP 10 Hrs

Unit 3: BANKING OPERATIONS 18 Hrs
Collecting Banker: Meaning – Duties & Responsibilities of Collecting Banker – Holder for Value – Holder in Due Course - Statutory Protection to Collecting Banker

Lending Operations: Principles of Bank Lending – Kinds of lending facilities such as Loans, Cash Credit, Overdraft, Bills Discounting, Letters of Credit – NPA: Meaning, circumstances & impact – regulations of priority lending for commercial banks.

Unit 4: CUSTOMERS AND ACCOUNT HOLDERS 12 Hrs
Types of Customers and Account Holders - Procedure and Practice in opening and operating accounts of different customers including Minors - Meaning & Operations of Joint Account Holders, Partnership Firms, Joint Stock companies, Executors and Trustees, Clubs and Associations and Joint Hindu Undivided Family.

Unit 5: BANKING INNOVATIONS 06 Hrs
New technology in Banking – E-services – Debit and Credit cards. Internet Banking, ATM, Electronic Fund Transfer, MICR, RTGS, NEFT, DEMAT.

SKILL DEVELOPMENT:
• Collect and fill account opening form of SB A/c or Current A/c
• Collect and fill pay in slip of SB A/c or Current A/c.
• Draw specimen of Demand Draft.
• Draw different types of endorsement of cheques.
• Draw specimen of Travellers Cheques / Gift cheques / Credit cheques.
• List various customer services offered by atleast 2 banks of your choice.

BOOKS FOR REFERENCE
1. Gordon & Natarajan: Banking Theory Law and Practice, HPH
2. S. P Srivastava : Banking Theory & Practice, Anmol Publications
4. Tannan M.L: Banking Law and Practice in India, Indian Law House
6. K. Venkataramana, Banking Operations, SHBP.
12. Gajendra & Poddar: Law and Practice of Banking
13. Dr. Alice Mani: Banking Law and Operation, SBH.
OBJECTIVES:
To ensure students have grounding in the mathematics and basic statistics that underpin actuarial work.

Unit I: NUMERICAL METHODS: 12 Hrs
Absolute and proportionate change calculation; Percentage change in quantity; The absolute, proportionate and percentage error calculation; Comparison of actual with expected values or approximate with accurate values; Linear interpolation to ascertain approximate value; Simple iterative methods to solve non linear equations; Simple calculations of Vectors, use of row/column vectors, and unit vectors, additions and subtraction of vectors, multiplication of a vector by a scalar, Determining the magnitude and direction of a vector, the scalar product of two vectors; Matrices-transposition of a matrix, addition, subtractions, multiplication of a matrix by a scalar multiplication of the approximately sized matrices. Calculating of Determinant of a 2x2 matrix; calculation of inverse when such a matrix is non singular.

Unit II MATHEMATICAL CONSTANTS AND STANDARD FUNCTIONS 8 Hrs
Definition and basic properties of the functions, sketch of graphs of simple functions involving the basic functions, simplification and calculation of expressions involving the functions, Concept of a limit of a function and the ‘lim’ notation, Concept of bounded function.

Unit III: ALGEBRA 10Hrs
Powers, logs, polynomials and fractions, simple equations, simultaneous equations, Quadratic equation by factorisation, inequalities in simple cases, Concept of a strict or weak inequality, sums over sets and repeated sums, sum of a series involving finite arithmetic or geometric progression or non terminating geometric progressions, Determination of non terminating geometric series converges, simple first or second order difference equations, Binomial expansion of expressions.

Unit IV CALCULUS: 10 Hrs
Determination of a derivative interpretation of a derivative as the gradient of a graph, Differentiate the standard function, Evaluation of derivatives of sums, products, use of product rule, quotient rule, chain rule, Concept of a higher order derivative; differentiation, identification of stationary points, Concept of indefinite integral, partial derivative, Evaluation of partial derivatives in simple cases, Determination of extreme values of functions of two variables Integration of standard function, indefinite and definite integrals by inspection; convergence of definite integral, Application of Taylor and Maclaurin series in simplest form.

Unit V: PROBABILITY AND STATISTICS 16 Hrs
Use of Table, frequency distribution, Graphs – line plot, box plot, bar chart, histogram, stem and leaf plot; Mean Median, Mode, Standard Deviation, range, inter quartile range as appropriate; Meaning of symmetry and skewness, Concept and definition of probability, meaning of sample space, calculation of probabilities of events in simple situations, Definition and the use of addition rule for the probability, conditional probability, Bayes Theorem to calculate probabilities; Definition of independence; Application of permutations and combinations to the calculation of probabilities; Meaning of a discrete random variable. Definition of distribution function, and the probability function and its calculations, Meaning of a continuous random variable. Definition of distribution function, and
calculation of probabilities; Definition of expected value of a function of a random variable, the mean, the variance the standard deviation, coefficient , skewness and their calculations.

SKILL DEVELOPMENT

• D

BOOKS FOR REFERENCE

1.
3.3 CORPORATE ACCOUNTING

OBJECTIVE
The objective of this subject is to enable the students to have a comprehensive awareness about the provisions of the Company’s Act and Corporate Accounts.

Unit 1: UNDERWRITING OF SHARES 08 Hrs

Unit 2: PROFIT PRIOR TO INCORPORATION 12 Hrs

Unit 3: VALUATION OF GOODWILL 08 Hrs

Unit 4: VALUATION OF SHARES 08 Hrs

Unit 5: COMPANY FINAL ACCOUNTS 20 Hrs

SKILL DEVELOPMENT
● Collect and fill the share application form of a limited Company.
● Collect Prospectus of a company and identify its salient features.
● Collect annual report of a Company and List out its assets and Liabilities.
● Collection of latest final accounts of a company and find out the intrinsic value of shares
● Collect the annual reports of company and calculate the value of goodwill under different methods

BOOKS FOR REFERENCE
1. Arulanandam & Raman; Corporate Accounting –II
2. Anil Kumar – Financial Accounting, HPH
3. Dr. S.N. Maheswari, Financial Accounting.
4. Soundarajan. A & K. Venkataramana, Corporate Accounting, VBH.
5. S. P. Jain and K. L. Narang – Corporate Accounting
6. S. Bhat- Corporate Accounting.
7. S P Iyengar, Advanced Accountancy, Sultan Chand
### 3.4 FINANCIAL MANAGEMENT

**OBJECTIVE**
The objective is to enable students to understand the basic concepts of Financial Management and the role of Financial Management in decision-making.

**Unit 1: INTRODUCTION FINANCIAL MANAGEMENT**

**10 Hrs**


**Unit 2: TIME VALUE OF MONEY**

**12 Hrs**


**Unit 3: FINANCING DECISION**

**12 Hrs**


**Unit 4: INVESTMENT & DIVIDEND DECISION**

**16 Hrs**


**Unit 5: WORKING CAPITAL MANAGEMENT**

**06 Hrs**


**SKILL DEVELOPMENT**

- Draw the organization chart of Finance Function of a company.
- Evaluate the NPV of an investment made in any one of the capital projects with imaginary figures for 5 years.
- Capital structure analysis of companies in different industries
- Imaginary figures prepare an estimate of working capital requirements

**BOOKS FOR REFERENCE**

1. S N Maheshwari, Financial Management, Sultan Chand
2. Dr. Aswathanarayana, T – Financial Management, VBH
3. K. Venkataramana, Financial Management, SHBP.
4. G. Sudarshan Reddy, Financial Management, HPH
5. Roy – Financial Management, HPH
6. Khan and Jain, Financial Management, TMH
10. Prasanna Chandra, Financial Management, TMH
12. M. Gangadhar Rao & Others, Financial management
13. Dr. Alice Mani: Financial Management, SBH.
OBJECTIVE
The objective is to provide basic knowledge of business ethics and values and its relevance in modern context.

Unit 1: BUSINESS ETHICS

Unit 2: PERSONAL ETHICS

Unit 3: ETHICS IN MANAGEMENT

Unit 4: ROLE OF CORPORATE CULTURE IN BUSINESS
Meaning – Functions – Impact of corporate culture – cross cultural issues in ethics

Unit 5: CORPORATE GOVERNANCE
Meaning, scope, composition of BODs, Cadbury Committee, various committees, reports on corporate governance, scope of Corporate Governance, Benefits and Limitations of Corporate Governance with living examples.

SKILL DEVELOPMENT
- State the arguments for and against business ethics
- Make a list of unethical aspects of finance in any organization
- List out ethical problems faced by managers
- List out issues involved in Corporate Governance.
- List out unethical aspects of Advertising

BOOKS FOR REFERENCE
1. Murthy CSV: Business Ethics and Corporate Governance, HPH
2. Bholanath Dutta, S.K. Podder – Corporation Governance, VBH.
3. Dr. K. Nirmala, Karunakara Readdy : Business Ethics and Corporate Governance, HPH
4. H.R.Machiraju: Corporate Governance
5. K. Venkataramana, Corporate Governance, SHBP.
6. N.M.Khandelwal : Indian Ethos and Values for Managers
7. S Prabhakaran; Business ethics and Corporate Governance
8. C.V. Baxi: Corporate Governance
10. B O B Tricker, Corporate Governance; Principles, Policies and Practices
11. Michael, Blowfield; Corporate Responsibility
12. Andrew Crane; Business Ethics
13. Ghosh; Ethics in Management and Indian ethos.
3.6 FINANCE AND FINANCIAL MATHEMATICS.

OBJECTIVE:
To provide foundation in Finance and Financial Mathematics with simple applications.

Unit I: THE KEY PRINCIPLES OF FINANCE: 08 Hrs
Definitions of principal terms in investment and Asset management; Relationship between finance and real resources; between finance and organisation objectives; between stakeholders; role and effects of the capital markets, Agency Theory, theory of maximisation of shareholders wealth.

Unit II CASH FLOW MODELS: 10 hrs
Uses of a generalised cash flow model to describe finance transactions; inflows and outflows in cash flow process in each future time period; Amount and timing are fixed or uncertain, the operation of a zero coupon bond, fixed interest security, an index linked security, cash and deposit an equity, interest only loan, a property and an annuity certain in the cash flow model.

Unit III TIME VALUE OF MONEY: 12 Hrs
Concepts of simple interest, compound interest, and discounting; Definition of present value of a future payment, effect of compound interest; relationship between the rates of interest and discount; Difference between nominal and effective rates of interest; Meaning of real and money interest rates; Calculation of present value and the accumulated value. Discount and accumulate sum of money; Compound interest functions including annuities certain.

Loan Repayments: Repayment of loan by regular instalments and capital; Flat rates and annual effective rates of interest; Calculation of a schedule of repayment of a loan, Bifurcation interest and capital components.

Unit IV DISCOUNTED CASH FLOW TECHNIQUES: 12 Hrs
Meaning discounted cash flow uses of discounted cash flow techniques in investment project appraisal. Calculations of Net Present Value, Internal Rate Return, Weighted rate of return, Time weighted rate of return and the linked internal rate of return for cash flows of investment project or a fund. Investment and Risk Characteristics: Investment and risk characteristics for fixed interest, government borrowings, fixed interest borrowing, shares, derivative

Unit V: COMPOUND INTEREST PROBLEMS 14 Hrs
Elementary compound interest problems assuming tax free investor, calculations of present value of payments from a fixed interest security with constant coupon rate, and security is redeemable in one instalment, calculation of running yield and redemption yield; Present value or Yield calculations from an equity share, and a property with simple assumptions, about the growth of dividends and rents; Index linked bond present value calculation with assumptions about rate of inflation.

Term Structure interest Rates: Factors influencing the Term Structure Interest Rates; Meaning of par yield and yield to maturity; Meaning and calculation of discrete spot and forward rates.

SKILL DEVELOPMENT:

•

BOOKS FOR REFERENCE:
1.
OBJECTIVE
To create awareness among the students on the soft skills required to plan and pursue a career and empower them with employability skills.

Unit 1: ATTITUDE AND EMOTIONAL INTELLIGENCE 
Importance of Attitude – Meaning of Positive Thinking and Positive Attitude – Ways to build positive attitude – Effects of negative attitude and measures to overcome them. Significance of interpersonal relationships in personal and professional life - Tips to enhance interpersonal relationships - Emotional Intelligence.

Unit 2: VISION, GOAL SETTING & TIME MANAGEMENT 

Unit 3: CREATIVITY 

Unit 4: COMMUNICATION SKILLS 

Unit 5: CAREER PLANNING 
Career Planning, Awareness of different Careers, Sources of Information, Choosing a Career and Career counseling.

SKILL DEVELOPMENT:
- Extempore speeches, Just a Minute.
- Conducting Stress Interviews.
- Creative Exercise
- Role play.

BOOKS FOR REFERENCE:
1. C.S. Raydu – Corporate Communication, HPH
2. Rai & Rai Business Communication, HPH
3. S.P. Sharman, Bhavani H. – Corporate Communication, VBH
4. Collins: Public Speaking
5. Mair : Art of Public Speaking
6. K. Venkataramana, Corporate Communication, SHBP.
7. Rajkumar: Basic of Business Communication
8. V.N. Ahuja.: The World’s Famous Speeches
9. Daniel Goleman : Emotional Intelligence
11. Dalip Singh: Emotional Intelligence at Work.
16. Tanushree Pooder: Fit and Fine Body and Mind
17. C.G.G Krishnamacharyulu & Lalitha: Soft Skills of Personality Development;
18. Partho Pratim Roy: Business Communications – The Basics
4.3 ADVANCED CORPORATE ACCOUNTING

OBJECTIVE
The objective is to enable the students to develop awareness about Corporate Accounting in conformity with the Provision of Companies’ Act and latest amendments thereto with adoption of Accounting Standards.

Unit 1: REDEMPTION OF PREFERENCE SHARES 10 Hrs

Unit 2: MERGERS AND ACQUISITION OF COMPANIES 16 Hrs

Unit 3: INTERNAL RECONSTRUCTION 10 Hrs

Unit 4: LIQUIDATION OF COMPANIES 10Hrs
Meaning–Types of Liquidation – Order of Payment - Calculation of Liquidator’s Remuneration – Preparation of Liquidators Final Statement of Account.

Unit 5: RECENT DEVELOPMENTS IN ACCOUNTING & ACCOUNTING STANDARDS (Theory Only) 10Hrs

Indian Accounting Standards- Meaning- Need for accounting standards in India- Accounting standards Board (ASB) process of setting accounting standards in India- A brief theoretical study of Indian accounting standards.

SKILL DEVELOPMENT
- List out legal provisions in respect of Redemption of Preference shares.
- Calculation of Purchase consideration with imaginary figures.
- List any 5 cases of amalgamation in the nature of merger or acquisition of Joint Stock Companies.
- List out legal provisions in respect of internal reconstruction.
- List out any five Indian Accounting Standards disclosures.

BOOKS FOR REFERENCE
1. Arulanandam & Raman ; Corporate Accounting-II, HPH
2. Anil Kumar – Advanced Corporate Accounting, HPH
3. Roadmap to IFRS and Indian Accounting Standards by CA Shibarama Tripathy
4. Dr. Venkataraman, R – Advanced Corporate Accounting
5. S.N. Maheswari , Financial Accounting, Vikas
6. Soundarajan A & K. Venkataramana, Advanced Corporate Accounting, SHBP.
7. RL Gupta, Advanced Accountancy, Sultan Chand
8. K.K Verma – Corporate Accounting
10. Tulsian, Advanced Accounting,
11. Shukla and Grewal – Advanced Accountancy, Sultan Chand
12. Srinivas Putty, Advanced Corporate Accounting, HPH.
OBJECTIVE

The objective of this subject is to familiarize students with the various concepts and elements of cost.

Unit 1: INTRODUCTION TO COST ACCOUNTING 10 Hrs

Unit 2: MATERIAL COST CONTROL 14 Hrs

Unit 3: LABOUR COST CONTROL 10 Hrs

Unit 4: OVERHEAD COST CONTROL 14 Hrs

Unit 5: RECONCILIATION OF COST AND FINANCIAL ACCOUNTS 08 Hrs
Need for Reconciliation – Reasons for differences in Profit or Loss shown by Cost Accounts and Profit or Loss shown by Financial Accounts – Preparation of Reconciliation Statement and Memorandum Reconciliation Account.

SKILL DEVELOPMENT

- Identification of elements of cost in services sector by Visiting any service sector.
- Cost estimation for the making of a proposed product.
- Draft the specimen of any two documents used in material account.
- Collection and Classification of overheads in an organization on the basis of functions.
- Prepare a reconciliation statement with imaginary figures

BOOKS FOR REFERENCE
1. J. Made Gowda – Cost and Management Accounting, HPH
2. M.V. Skukla – Cost and Management Accounting
4. Nigam & Sharma: Cost Accounting, HPH
5. Khanna Pandey & Ahuja – Practical Costing, S Chand
6. Soundarajan A & K. Venkataramana, Cost Accounting, SHBP.
8. M.L. Agarwal: Cost Accounting
9. Dr. Alice Mani: Cost Accounting, SBH.
10. S.P Jain & Narang: Cost Accounting, Kalyani
12. S.P. Iyengar: Cost Accounting, Sultan Chand ans Sons
13. S.N. Maheshwari: Cost Accounting, Vikas
14. M. N. Arora: Cost Accounting, HPH
15. Dutta: Cost Accounting
4.5 E-BUSINESS AND ACCOUNTING

OBJECTIVE:
The objective of the subject is to familiarize the students with E- Commerce models and Tally

UNIT 1. E-BUSINESS 10 Hrs

UNIT 2. HARDWARE AND SOFTWARE FOR E-BUSINESS 10 Hrs

Unit 3: GETTING STARTED WITH TALLY 10 Hrs
Meaning of Tally software – Features – Advantages - Required Hardware, Preparation for installation of tally software - installation. Items on Tally screen: Menu options, creating a New Company, Basic Currency information, Other information, Company features and Inventory features.

Unit 4: CONFIGURING TALLY 16 Hrs

Unit 5: REPORTS IN TALLY: 10 Hrs

SKILL DEVELOPMENT:
- Generating the report of journal
- Generating the report on cash book
- Generating the report on profit and losing account
- Generating the report on balance sheet

BOOKS FOR REFERENCE
1. Raydu – E Commerce, HPH
2. Suman. M – E Commerce & Accounting - HPH
5. Amrutha Gowry & Soundrajana, E – Business & Accounting, SHBP.
6. C.S.V Murthy- E Commerce, HPH
12. Tally for Enterprise Solutions
4.6. STOCK AND COMMODITY MARKETS

OBJECTIVE:
The objective is to provide students with a conceptual framework of stock markets and Commodity Markets, functionaries in these markets and their mode of trading.

Unit: 1 AN OVERVIEW OF CAPITAL AND COMMODITIES MARKETS: 10 Hrs
Primary Market, Secondary Market (Stock Market), Depositories, Private placements of shares / Buy back of shares, Issue mechanism. Meaning of Commodities and Commodities Market, differences between stock market and commodities market.

Unit: 2 STOCK MARKET: 12Hrs
History, Membership, Organization, Governing body, Functions of stock Exchange, on line trading, role of SEBI, Recognized Stock Exchanges in India (brief discussion of NSE and BSE). Derivatives on stocks: Meaning, types (in brief).

Unit: 3 TRADING IN STOCK MARKET: 14Hrs

Unit: 4 COMMODITIES MARKET: 12Hrs
History, Membership, Objectives, Functions of commodities exchange, Organization and role of commodity exchange, Governing Body, Types of Transactions to be dealt in Commodity Market – physical market, Futures market - Differences between Physical & Future Market, options on commodities exchanges.

Unit: 5 TRADING IN COMMODITY MARKETS: 08Hrs
Patterns of Trading & Settlement, Efficiency of Commodity Markets - Size of volumes of Commodities

SKILL DEVELOPMENT
• Prepare the list of recognized stock exchanges in India
• Prepare the process chart of online trading of shares and debentures.
• Prepare the chart showing Governing Body of the Commodities Market.
• Prepare the list of commodities traded on commodity market.
• Enlist the role of NSDL and CSDL.

BOOKS FOR REFERENCE:
3. K. Venkataramana, Stock & Commodity Markets, SHBP.
7. Srivastava R.M ; Management of Indian Financial Institutions
9. Priswami – Indian Financial System
4.7 PRINCIPLES OF EVENT MANAGEMENT

OBJECTIVE:
The objective is to provide students with a conceptual framework of Event Management, Event Services, Conducting Event and Managing Public Relations.

Unit: 1 - INTRODUCTION TO EVENT MANAGEMENT 12 Hrs

Unit: 2 - EVENT MANAGEMENT PROCEDURE 12 Hrs
Principles for holding an Event, General Details, Permissions- Policies, Government and Local Authorities, Phonographic Performance License, Utilities- Five Bridge Ambulance Catering, Electricity, Water Taxes Applicable.

Unit: 3 - CONDUCT OF AN EVENT 12 Hrs

Unit: 4 - PUBLIC RELATIONS 10 Hrs

Unit: 5 CORPORATE EVENTS 10 Hrs
Planning of Corporate Event, Job Responsibility of Corporate Events Organizer, Arrangements, Budgeting, Safety of Guests and Participants, Creating Blue Print, Need for Entertainment in Corporate Events And Reporting.

Skill Development
1. Preparation of Event Plan for Wedding, Annual general body Meeting of an MNC.
2. Preparing Budget for conduct of National level intercollegiate sports events.
3. Preparation of Event Plan for College day Celebrations
4. Preparation of Budget for Conducting inter collegiate Commerce Fest.

Book References
1. Event Entertainment and Production – Author: Mark Sonderm CSEP Publisher: Wiley & Sons, Inc.
2. Ghouse Basha – Advertising & Media Mgt, VBH.
3. Anne Stephen – Event Management, HPH.
4. K. Venkataramana, Event Management, SHBP.
8. Successful Team Management (Paperback) – Nick Hayed (Author)
10. Event Management & Public Relations By Swarup K. Goyal – Adhyayan Publisher - 2009
OBJECTIVE:
To enable students to understand the basic concepts of entrepreneurship and preparing a business plan to start a small industry.

Unit 1: ENTREPRENEURSHIP
Introduction – Meaning & Definition of Entrepreneurship, Entrepreneur & Enterprise – Functions of Entrepreneur - Factors influencing Entrepreneurship - Pros and Cons of being an Entrepreneur – Qualities of an Entrepreneur – Types of Entrepreneur

Unit 2: SMALL SCALE INDUSTRIES
Meaning & Definition – Product Range - Capital Investment - Ownership Patterns – Meaning and importance of Tiny Industries, Ancillary Industries, Cottage Industries. Role played by SSI in the development of Indian Economy. Problems faced by SSI’s and the steps taken to solve the problems - Policies Governing SSI’s.

Unit 3: FORMATION OF SMALL SCALE INDUSTRY
Business opportunity, scanning the environment for opportunities, evaluation of alternatives and selection based on personal competencies. Steps involved in the formation of a small business venture: location, clearances and permits required, formalities, licensing and registration procedure. Assessment of the market for the proposed project – Financial, Technical, Market and Social feasibility study.

Unit 4: PREPARING THE BUSINESS PLAN (BP)

Unit 5: PROJECT ASSISTANCE
Financial assistance through SFC’s, SIDBI, Commercial Banks, IFCI - Non-financial assistance from DIC, SISI, AWAKE, KVIC - Financial incentives for SSI’s and Tax Concessions - Assistance for obtaining Raw Material, Machinery, Land and Building and Technical Assistance - Industrial Estates: Role and Types.

SKILL DEVELOPMENT
- Preparation of a Project report to start a SSI Unit.
- Preparing a letter to the concerned authority-seeking license for the proposed SS Unit
- Format of a business plan.
- A Report on the survey of SSI units in the region where college is located.
- Chart showing financial assistance available to SSI along with rates of interest.
- Chart showing tax concessions to SSI both direct and indirect.
- Success stories of Entrepreneurs in the region.

BOOKS FOR REFERENCE
1. Vasanth Desai, Management of Small Scale Industry, HPH
3. Dr. Venkataramana ; Entrepreneurial Development, SHB Publications
4. Udai Pareek and T.V. Rao, Developing Entrepreneurship
5. Rekha & Vibha – Entrepreneurship Development, VBH
6. S.V.S. Sharma, Developing Entrepreneurship, Issues and Problems
11. Bharusali, Entrepreneur Development
12. Satish Taneja: Entrepreneur Development
13. Vidya Hattangadi: Entrepreneurship
5.2 INTERNATIONAL FINANCIAL REPORTING STANDARDS

OBJECTIVE: The objective of the subject is to enable the students to understand the need and method of presentation of financial statements in accordance with International Financial Reporting Standards.

Unit-I  
International Financial Reporting Standards:  
5Hrs
Meaning of IFRS - relevance of IFRS to India; merits and limitations of IFRS; process of setting IFRS- Practical challenges in implementing IFRS; a brief theoretical study of International financial reporting standards (IFRS) 1 – 15 - List of International accounting standards issued by IASB.

Unit – II  
Accounting for Assets and Liabilities  
25Hrs
Recognition criteria’s for Investment properties, Government grants, Borrowing costs, Construction contracts, share based payments, Provisions, Contingent liabilities and Contingent assets, Events occurring after the reporting period (Only Theory).
Recognition and measurement for property plant and equipment, Intangible assets, Inventories, Leases and Impairment. Accounting for Income tax, Employee benefits. - Simple problems

Unit-III  
Presentation of Financial Statements:  
8Hrs
Outline for the preparation of financial statements - Statement of financial position; Comprehensive income statement; Statement of changes in equity (SOCE), IAS 18 – Revenue.
Elements of financial statements as per IFRS – Non-current assets; current assets; equity; non- current liability; current liability; revenue; cost of sales; distribution costs; administrative expenses; financial costs – profits attributable to owners of controlling interest and non-controlling interest – Practical problems on each element.

Unit – IV  
Accounts of Groups:  
12Hrs
Concept of group – need for consolidated financial statements - Preparation of consolidated financial statements – Procedure for the preparation of consolidated financial position statement – treatment of pre-acquisition profit; goodwill arising on consolidation; on-controlling interests at fair value – Practical problems.

Unit – V  
Disclosure Standards  
6Hrs
Related party disclosure, Earnings per share, Interim financial reporting, Insurance contracts, Operating segments. (Theory Only).

SKILL DEVELOPMENT
1) Conversion of final accounts to IFRS
2) Analysis of published financial statements for at-least 2 types of stakeholders
3) Comments for recent developments/exposure draft in IFRS
4) Preparation of notes to accounts for non-current assets
5) Assignment on social reporting
6) Preparation of Consolidated Financial Statement of any two existing companies.
7) Disclosure of change in equity in the annual reports of any two select companies.

Books for reference:
1. IFRS – Student Study Guide - ISDC
2. IFRS for India, Dr.A.L.Saini, Snow white publications
3. Roadmap to IFRS and Indian Accounting Standards by CA Shibarama Tripathy
4. IFRS explained – a guide to IFRS by BPP learning Media
5. IFRS concepts and applications by Kamal Garg, Bharath law house private limited.
5.3 INCOME TAX - I

OBJECTIVE
The Objective of this subject is to expose the students to the various provisions of Income Tax Act 1961 relating to computation of Income of individuals.

Unit 1: INTRODUCTION TO INCOME TAX 10 Hrs

Unit 2: EXEMPTED INCOMES 04 Hrs
Introduction – Exempted Incomes U/S 10 - Restricted to Individual Assessee.

Unit 2: RESIDENTIAL STATUS 10 Hrs

Unit 4: INCOME FROM SALARY 20 Hrs

Unit 5: INCOME FROM HOUSE PROPERTY 12 Hrs

SKILL DEVELOPMENT
- Form No. 49A (PAN) and 49B.
- Filling of Income Tax Returns.
- List of enclosures to be made along with IT returns (with reference to salary & H.P).
- Preparation of Form 16.
- Computation of Income Tax and the Slab Rates.
- Computation of Gratuity.

BOOKS FOR REFERENCE
1. Dr. Vinod K. Singhania: Direct Taxes – Law and Practice, Taxmann publication.
2. B.B. Lal: Direct Taxes, Konark Publisher (P) ltd.
3. Dr. Mehrotra and Dr. Goyal: Direct Taxes – Law and Practice, Sahitya Bhavan Publication.
6. 7 Lectures – Income Tax – I, VBH
7. Dr.V.Rajesh Kumar and Dr.R.K.Sreekantha: Income Tax – I, Vittam Publications.
5.4 COSTING METHODS

OBJECTIVE
To familiarize the students on the use of cost accounting system in different nature of businesses.

Unit 1: INTRODUCTION TO COSTING METHODS 04 Hrs
Costing methods – Meaning, Importance and Categories.

Unit 2: JOB AND BATCH COSTING 12 Hrs

Unit 3: PROCESS COSTING 14 Hrs

Unit 4: CONTRACT COSTING 14 Hrs
Meaning, features of contract costing, Applications of contract costing, similarities and dissimilarities between job and contract costing, procedure of contract costing, profit on incomplete contracts, Problems.

Unit 5: OPERATING COSTING 12 Hrs
Introduction, Meaning and application of Operating Costing, - Power house costing or boiler house costing, canteen or hotel costing, hospital costing (Theory only) and Transport Costing – Problems on Transport costing.

SKILL DEVELOPMENT
- Listing of industries located in your area and methods of costing adopted by them
- List out materials used in any two organizations.
- Preparation of Imaginary composite job cost statement
- Preparation of activity base cost statement

BOOKS FOR REFERENCE
3. B.S. Raman, Cost Accounting.
4. K.S Thakur- Cost Accounting
7. N. Prasad, Costing.
9. Jain &Narang, Cost Accounting
10. Ravi M. Kishore – Cost Management
11. Charles T Horngren, George Foster, Srikant M. Data – Cost Accounting: A Managerial Emphasis
12. Anthony R. N. – Management Accounting Principles
13. S. Mukherjee & A. P. Roychowdhury – Advanced Cost and Management Accountancy
14. J. MadeGowda Cost Accounting
15. Rathnam : Cost Accounting
OBJECTIVE:
To introduce the students to various Business Regulations and familiarize them with common issues of relevance.

UNIT 1: INTRODUCTION TO BUSINESS LAWS 06 Hrs
Introduction, Nature of Law, Meaning and Definition of Business Laws, Scope and Sources of Business Laws.

UNIT 2: CONTRACT LAWS 18Hrs

UNIT 3: COMPETITION AND CONSUMER LAWS: 14 Hrs
The Competition Act, 2002: Objectives of Competition Act, Features of Competition Act, CAT, offences and penalties under the Act, Competition Commission of India.

UNIT 4: ECONOMIC LAWS 12 Hrs
Indian Patent Laws and WTO Patent Rules: Meaning of IPR, invention and non-invention, procedure to get patent, restoration and surrender of lapsed patent, infringement of patent.
FEMA 1999: Objects of FEMA, salient features of FEMA, definition of important terms: authorized person, currency, foreign currency, foreign exchange, foreign security, offences and penalties.

UNIT 5: ENVIRONMENTAL LAW 06 Hrs
Environment Protection Act, 1986: Objects of the Act, definitions of important terms: environment, environment pollutant, environment pollution, hazardous substance and occupier, types of pollution, rules and powers of central government to protect environment in India.

SKILL DEVELOPMENT
- Prepare a chart showing sources of business law and Indian Constitution Articles having economic significance.
- Draft an agreement on behalf of an MNC to purchase raw materials indicating therein terms and conditions and all the essentials of a valid contract.
- Draft an application to the Chief Information Officer of any government office seeking information about government spending.
- Draft digital signature certificate.
- Draft a complaint to District Consumer Forum on the deficiency of service in a reputed corporate hospital for medical negligence.
- Collect leading cyber-crimes cases and form groups in the class room and conduct group discussion.
- Draft a constructive and innovative suggestions note on global warming reduction.

BOOKS FOR REFERENCE:
1. K. Aswathappa, Business Laws, HPH.
2. Bulchandni, Business Laws, HPH.
3. K. Venkataramana, Business Regulations, SHBP.
4. Kamakshi P & Srikumari P – Business Regulations, VBH.
6. S.S. Gulshan – Business Law
8. Tulsion Business Law, TMH.
6.2 PRINCIPLES AND PRACTICE OF AUDITING

OBJECTIVE:
This subject aims at imparting knowledge about the principles and methods of auditing and their applications.

Unit 1: INTRODUCTION TO AUDITING 12 Hrs

Unit 2: INTERNAL CONTROL 10 Hrs

Unit 3: VOUCHING 12 Hrs
Meaning - Definition – Importance – Routine Checking and Vouching – Voucher -Types of Vouchers – Vouching of Receipts: Cash Sales, Receipts from debtors, Proceeds of the sale of Investments. Vouching of Payments: Cash Purchases, Payment to Creditors, Deferred Revenue Expenditure.

Unit 4: VERIFICATION AND VALUATION OF ASSETS AND LIABILITIES 12 Hrs

Unit 5: AUDIT OF LIMITED COMPANIES AND OTHERS 10 Hrs

SKILL DEVELOPMENT:
- Collect the information about types of audit conducted in any one Organization
- Visit an audit firm, write about the procedure followed by them in Auditing the books of accounts of a firm.
- Draft an investigation report on behalf of a Public Limited Company
- Record the verification procedure with respect to any one fixed asset.
- Draft an audit program.

BOOKS FOR REFERENCE:
1. P N Reddy & Appannaiah, Auditing, HPH
2. TR Sharma, Auditing, Sahitya Bhavan
3. BN Tandon, Practical Auditing, Sultan Chand
4. Dr. Nanje Gowda, Principles of Auditing, VBH
5. Dr. Alice Mani: Principles & Practices of Auditing, SBH.
6. K. Venkataramana, Principles And Practice Of Auditing, SHBP.
7. MS Ramaswamy, Principles and Practice of Auditing.
8. Dinakar Pagare, Practice of Auditing, Sultan Chand
9. Kamal Gupta, Practical Auditing, TMH
10. R.G Sexena - Principles and Practice of Auditing, HPH
6.3 INCOME TAX - II

OBJECTIVE
The Objective of this subject is to make the students to understand the computation of Taxable Income and Tax Liability of individuals.

Unit 1: PROFITS AND GAINS FROM BUSINESS OR PROFESSION 16 Hrs

Unit 2: CAPITAL GAINS 16 Hrs

Unit 3: INCOME FROM OTHER SOURCES 10 Hrs

Unit 4: DEDUCTIONS FROM GROSS TOTAL INCOME 06 Hrs
Deductions u/s: 80 C, 80 CCC, 80 CCD, 80 D, 80 G, 80 GG, 80 GGA, and 80 U. (80 G & 80 GG together should not be given in one problem)

Unit 5: SET-OFF & CARRY FORWARD OF LOSSES AND ASSESSMENT OF INDIVIDUALS 08 Hrs
Meaning – Provision for Set-off & Carry forward of losses (Theory only). Computation of Total Income and Tax Liability of an Individual Assessee (Problems– in case of income from salary & house property- computed income may be given).

SKILL DEVELOPMENT
- Table of rates of Tax deducted at source.
- Filing of IT returns of individuals.
- List of Enclosures for IT returns.

BOOKS FOR REFERENCE
1. Dr. Vinod K. Singhania: Direct Taxes – Law and Practice, Taxmann publication.
2. B.B. Lal: Direct Taxes, Konark Publisher (P) ltd.
5. B.B. Lal: Income Tax, Central Sales Tax Law & Practice, Konark Publisher (P) Ltd.
6. Singhania: Income Tax
7. Dr. H.C Mehrothra : Income Tax, Sahitya Bhavan
8. 7 Lecturer Income Tax – VBH
6.4 MANAGEMENT ACCOUNTING

OBJECTIVE
The objective of this subject is to enable the students to understand the analysis and interpretation of financial statements with a view to prepare management reports for decision-making.

UNIT 1: INTRODUCTION TO MANAGEMENT ACCOUNTING 12 Hrs

UNIT 2: RATIO ANALYSIS 14 Hrs
Meaning and Definition of Ratio, Classification of Ratios, Uses & Limitations – Meaning and types of Ratio Analysis – Calculation of Liquidity ratios, Profitability ratios and Solvency ratios.

UNIT 3: FUND FLOW ANALYSIS 10 Hrs

UNIT 4: CASH FLOW ANALYSIS 14 Hrs

UNIT 5: MANAGEMENT REPORTING 06 Hrs

SKILL DEVELOPMENT
- Collection of financial statements of any one organization for two years and preparing comparative statements
- Collection of financial statements of any two organization for two years and prepare a common Size Statements
- Collect statements of an Organization and Calculate Important Accounting Ratio’s
- Draft a report on any crisis in an organization.

BOOKS FOR REFERENCE
1. Dr. S.N. Maheswari , Management Accounting
2. Sexana, Management Accounting
3. SudhindraBhat- Management Accounting
4. Dr. S.N. Goyal and Manmohan, Management Accounting
5. B.S. Raman, Management Accounting
6. Sharma and Gupta, Management Accounting
7. M Muniraju& K Ramachandra, Management Accounting
8. PN Reddy &Appanaiah, Essentials of Management Accounting.
9. J.Made Gowda - Management Accounting
OBJECTIVES:
To provide foundation in the aspects of statistics that is of relevance to actuarial work and in stochastic processes and survival models.

Unit I DISCRETE AND CONTINUOUS DISTRIBUTION: 10 Hrs
Definition and application of discrete distributions, geometric, binomial, negative binomial, Poisson and uniform of discrete distribution; Features of principal discrete and continuous distribution; Definition and application of the continuous distribution, normal, log normal, exponential, gamma, chi square, beta and uniform Moment generating function: (MGF) Moment generating function, cumulant generating function; simple cases of cumulants, and their uses to evaluate moments; Determination of moment generating function of random variable; Determination of cumulant moment generating function and the cumulants for random variable; Using the above variables, by expansion as a series or by differentiation as appropriate; Uses and application of the above function; Reasons for using the functions;

Unit II: THE CONCEPTS OF INDEPENDENCE, RANDOM VARIABLE AND CONDITIONAL DISTRIBUTIONS: 10 HRS
The use of generating functions to establish the distribution of linear combinations of independent random variables; Ascertain marginal distributions and conditional distributions from jointly distributed random variables; Definition of the probability function/density function of a marginal distribution and of a conditional distribution; Conditions under which random variables are independent; Calculation of the mean and variance of a function of two jointly distributed random variable, and the covariance and correlation coefficient between two variables; Determination of the probability function/density function of a function of independent random variables, using MGFs; Mean and variance of linear function of independent random variables;

Unit III: THE CENTRAL LIMIT THEOREM 12 Hrs
The concepts of random sampling, statistical inference and sampling distribution; the central limit theorem for a sequence of independent, identically distributed random variables; Application of the central limit theorem to establish normal approximations to other distributions, and to calculate probabilities; a continuity correction when using a normal approximation to a discrete distribution; Application of a continuity correction when using a normal approximation to a discrete distribution; Meaning of sample, a population and statistical inference; Definition of random sample from a distribution of a random variable; meaning of a statistic and its sampling distribution; Determination of the mean and variance of a sample mean and the mean of a sample variance in terms of the population mean, variance and sample size; Use of the basic sampling distributions for: the sample mean where the population variance is known -the sample mean where the population variance is unknown - the sample variance for random samples from a population that follows a normal distribution.
The main properties of estimators, and their application, the method of moments for constructing estimators of population parameters; Application of the method of moments for constructing estimators of population parameters; The method of maximum likelihood for constructing estimators of population parameters for exact data samples; Application of the method of maximum likelihood for constructing estimators of population parameters for exact data samples; Definition of the terms: efficiency, bias, consistency and mean squared error; Calculation of the bias and mean square error of an estimator and its use to compare estimators.

**Unit V: CONFIDENCE INTERVALS FOR UNKNOWN PARAMETERS**  
12 Hrs

Definition of a confidence interval for an unknown parameter of a distribution based on a random sample; Calculation of a confidence interval for an unknown parameter using a given sampling distribution for example the mean and variance of a normal distribution; Calculation of confidence intervals for a binomial probability and a Poisson mean, using the normal approximation in both cases; Calculation of confidence intervals for two-sample situations involving either the normal distribution, or the normal approximation to the binomial and Poisson distributions. **Testing hypotheses:** Meaning of the terms null and alternative hypotheses, simple and composite hypotheses, critical region, level of significance and probability-value of a test; Application of basic tests for the one-sample and two-sample situations involving the normal, binomial and Poisson distributions; Application of basic test for paired data; Test to test the random sample from a hypothesis including cases where parameters are unknown.

**SKILL DEVELOPMENT**

•

**BOOKS FOR REFERENCE:**

1.
OBJECTIVE:
To provide basic knowledge in the mathematical techniques which can be used to model and value cash flows dependent on death, survival, or other uncertain risks arising in pensions and life insurance; (only gross premium and gross premium reserves are covered (net premium reserves are not required).

Unit I: ACTUARIAL MODELING: 12 Hrs
The principles of Actuarial modelling; Reasons and techniques of using actuarial models; Benefits and limitations of modelling; Difference between a stochastic and deterministic model, Its advantages and disadvantages; Suitability of a model for any particular application; Difference between the short run and long run properties of a model; Analysis of potential output from a model and choice of model; Process of sensitivity testing of assumptions and its importance; Factors in communicating the results of the application of a model; Stochastic Processes: Definition of stochastic process and counting process; The general principles of stochastic processes, classification of stochastic processes, Stochastic interest rate models; Stochastic process in continuous or discrete time; continuous or a discrete state space and in mixed type; Application of mixed processes; Meaning of Markov Property in the context of a stochastic process; Concept of stochastic interest rate model and distinction between this and a deterministic model; Algebraically derivation of annual rates of return;

Unit II: MARKOV CHAIN PROCESSES: 14 Hrs
Features of a time homogeneous Markov chain model; Calculation of the stationary distribution for a Markov chain model in simple cases; System of frequency based experience rating in terms of a Markov chain model and simple applications; Use of Markov chains as a tool for modelling; The Markov Jump Process; Features of a Markov Jump Process Model, definition of time homogeneous and time inhomogeneous Markov jump process models of transitions between discrete states. Definition of the Poisson process, distribution of the number of events in a given time interval; Definition of the two state survival model, sickness models and examples multiple state models in terms of Markov jump processes. Definition of the jump chain model associated with a Markov jump process model and application of the results; Markov jump processes as a tool for modelling. The random life time survival model: Consistency condition between the random variable representing lifetimes from different ages; Definition of the distribution and density functions of the random future lifetime, the survival function, the force of mortality or hazard rate, and their relationships; Definitions of the actuarial symbols and integral formulæ; Definition of the curtate future lifetime and the probability function; Definition of the expected value and variance of the complete and curtate future lifetimes and expressions for them. Definition of the symboise and an approximate relation between them; comparison of the random lifetime survival model with the two state Markov jump process survival model

Unit III: SIMPLE ASSURANCE AND ANNUITY CONTRACTS 10 Hrs
Simple assurance and Annuity contracts formulae for the mean and variance of the present value of payments, (assuming deterministic interest), Definition for the following terms: whole life assurance, Term assurance, Pure endowment, Endowment assurance, critical illness assurance, whole life level annuity, temporary level annuity, guaranteed level annuity, premium, Benefit(Including assurance and annuity contracts where the benefits are deferred), Definition of relevant probabilities with their select equivalents,
Determination of expressions in the form of sums for the expected present value of benefit payments under each of the above contracts, assuming that death benefits are payable at the end of the year of death and that annuity are paid annually in advance or in arrears. Simplification of these expressions into a form suitable for evaluation by table look-up or other means, Definition of the relevant symbols and their select and continuous equivalents, Application of the annuity factors for the above symbols to allow for the possibility that payments are more frequent than annual but less frequent than continuous, Different types of mortality table and their use including ways in which future improvements can be allowed for.

**Unit IV: PRACTICAL METHODS OF EVALUATING THE EXPECTED VALUES OF SIMPLE ASSURANCE AND ANNUITY CONTRACTS** 10 Hrs
Life table functions and their select equivalents, Definition of life table probabilities, Definition of the expected values, Evaluation of the expected values by table look-up, Determination of the approximations for, and evaluation of the expected values **Gross premiums for Life insurance and annuity contracts**: Types of expenses incurred in writing a life insurance contract, Influence of inflation on the expenses, The premiums and reserves of simple insurance contracts, Calculation by using ultimate or select mortality, the premiums and reserves of simple insurance contracts, Definition of premiums for the insurance contract benefits, Calculation of premiums for the insurance contract benefits using the equivalence principle.

**Unit V: GROSS PREMIUM RESERVES** 10 Hrs
The reasons for setting up of reserves, Prospective and retrospective reserves Definition and evaluation of prospective and retrospective reserves Calculation of gross premiums and gross premium reserves for increasing and decreasing benefits and annuities using ultimate or select mortality, Calculation of the expected present value of an annuity, premium, or benefit payable on death, which increases or decreases, Calculation of the expected present value of an annuity, premium or benefit payable on death, which increases or decreases by a constant monetary amount at various times. Calculation of premiums and reserves for contracts with premiums or benefits which increases or decreases by a constant monetary amount at various times, and benefits payable on death, Definition of with profits contract. Different types of bonus payable to with profits contracts. Calculation of premiums and reserves for with profits contracts

**SKILL DEVELOPMENT:**

•

**BOOKS FOR REFERENCE:**
1. 
6.5 SHORT TERM ACTUARIAL MATHEMATICS

OBJECTIVE
To provide further knowledge in the mathematical and statistical techniques of particular relevance to non-life insurance.

Unit I: TECHNIQUES OF DISCOUNTING EMERGING COSTS 8 Hrs
Techniques of discounting emerging costs for use in pricing, reserving, and assessing profitability, Features of a unit-linked contract, Evaluation of expected cash flows for whole life, endowment and term assurances, annuities, and unit-linked contracts, Application of a profit test to simple annual premium contracts to determine the profit vector, the net present value, and the profit margin, Method of using the profit test to price a product, and to determine non-unit reserves for unit-linked contracts

Unit II: THE FORMS OF HETEROGENEITY 14 Hrs
The principal forms of heterogeneity within a population and the ways in which selection can occur; the factors that contribute to the variation in mortality and morbidity, (specifically: Occupation, Nutrition, Housing, Climate/ Geography, Education, Genetics;) Definition of the following forms of selection: Temporary initial selection, Class selection, Time selection, Spurious selection, Adverse selection, How selection can be expected to occur amongst individuals taking out each of the main types of life insurance contracts, or amongst members of large pension schemes, How decrements can have a selective effect, The necessity of different mortality tables for different classes of lives, The theoretical basis of the use of risk classification in life insurance, The impact of the availability of genetic information on risk classification in life insurance, The concept of a single figure index and its advantages and disadvantages for summarizing and comparing actual experience, Definition, and illustration for the use of the terms: crude mortality rate, directly standardized and indirectly standardized mortality rate, standardized mortality ratio.

Unit III: PROBABILITIES AND MOMENTS OF LOSS DISTRIBUTION 14 Hrs
Probabilities and Moments of loss distribution both with and without limits and risk-sharing arrangements, The properties of the statistical distributions which are suitable for modelling individual and aggregate losses, Estimation of the parameters of a failure time or loss distribution when the data is complete, or when it is incomplete, using maximum likelihood and the method of moments, Application of the principles of statistical inference to select suitable loss distributions for sets of claims Definition of moments and moment generating functions of loss distributions including the gamma, exponential, Pareto, generalised Pareto, normal, lognormal and Weibull distributions, The concepts of excesses (deductibles), and retention limits, The operation of simple forms of proportional and excess of loss reinsurance, Calculation of the moments of the claim amounts paid by the insurer and the reinsurer in the presence of excesses and reinsurance

Unit IV: RISK MODELS 10 Hrs
Risk models involving frequency and severity distributions, Determination of models appropriate for short term insurance contracts in terms of the numbers of claims and the amounts of individual claims, The major simplifying assumptions underlying the models, Deriving the moment generating function of the sum of N independent random variables; in particular when N has a binomial, Poisson, geometric or negative binomial distribution, Definition of a compound Poisson distribution and apply the fact that the sum of independent random variables each having a compound Poisson distribution also has a compound Poisson distribution, Calculation of the mean and variance for compound binomial, compound Poisson and compound negative binomial random variables and derive the
coefficient of skewness for the compound Poisson case and make a comment on the sign of the skewness in the other case,

Unit V:  

10 Hrs

Derive formulae for the moment generating functions and moments of aggregate claims over a given time period for the models in terms of the corresponding functions for the distributions of claim numbers and claim amounts, stating the mathematical assumptions underlying these formulae, Calculation of the mean and variance for compound binomial, compound Poisson and compound negative binomial random variables for both the insurer and the reinsurer after the operation of simple forms of proportional and excess of loss reinsurance and derive the coefficient of skewness for the compound Poisson case and make a comment on the sign of the skewness in the other case.

SKILL DEVELOPMENT

•

BOOKS FOR REFERENCE

1.
6.6 MODELS AND AUDIT TRAILS

OBJECTIVE
To ensure that the successful candidate can model data, including

Unit I: RUIN 10 Hrs
Meaning of the aggregate claim process and the surplus process for a risk, Calculation of probabilities of the number of events in a given time interval and waiting times using the Poisson process and the distribution of inter-event times to probabilities, Calculation by using the Poisson process and distribution of inter-event times, probabilities involving waiting times and the number of events in a given time interval.

Unit II ADJUSTMENT COEFFICIENT 14 Hrs
Definition and calculation of the adjustment coefficient for a compound Poisson process in simple cases, Definition of the probability of ruin in infinite/finite and continuous/discrete time, Relationships between the different probabilities of ruin, Lundberg’s inequality, The significance of the adjustment coefficient in Lundberg's inequality. The effect on the probability of ruin, in both finite and infinite time, of changing parameter values, The effect on the adjustment coefficient and on the probability of ruin of simple reinsurance arrangements.

Unit III: TECHNIQUES FOR ANALYZING A RUN-OFF (OR DELAY) 16 Hrs
Techniques for analysing a run-off (or delay) triangle and projecting the ultimate position, Use of a statistical model to underpin a run-off triangles approach, Definition of a development factor, Use of a set of assumed development factors to project the future development of a run-off triangle, Application of the basic chain ladder method for completing the run-off triangle, Adjustment of the basic chain ladder method to make explicit allowance for inflation, Alternative ways for deriving development factors appropriate for completing the run-off triangle, Application of average cost per claim method for estimating outstanding claim amounts, Application of the Bornhuetter-Ferguson methods for estimating outstanding claim amounts, The assumptions underlying the chain ladder, average cost per claim.

UNIT IV: DEVELOPMENT OF SPREAD SHEET MODEL 16 Hrs
Development of a spreadsheet model to solve a specified problem; summarizing data using appropriate descriptive statistics and graphical representation, Performing checks on the data and results, Production of an audit trail, documenting: the parameters given in the scenario, the methods used in the model, checks made on the data and results

SKILL DEVELOPMENT

BOOKS FOR REFERENCE
1.