



Foundation Course

Paper 1 : Organization & Management Fundamentals

Objective

- To gain basic knowledge in Organizational Management
- To understand the concept of business management at the macro level

Section I : Organization

30%

1. Nature and Functional Areas of Organization **10%**

- Organizational structures.
- Functional areas of business and their operations
- Activities of different functions
- Formal & informal organizations: principles of organizations
- Criteria for grouping

2. Schools of Organizational theory **10%**

- Classical, behavioural and systems
- Current trend and approaches
- Behaviour in organizations
- Role of behavioural science

3. Organizational Management **10%**

- Objectives (missions, goals and targets)
- Conflicts between objectives
- Appropriate strategy formulation
- Determinants of culture
- Different models available for categorizing cultures
- Different models of organizational model management available to achieve goal congruence.

Section II : Management

70%

4.. Human resource management **20%**

- Human resource plan
- Human issues relating to recruitment, dismissal, retirement and redundancy
- Models of Human Behaviour and Motivation and its applications (Taylor, McGregor, Maslow, Herzberg etc).
- Training & development.
- Development and design of reward system

5. Management of Relationship **20%**

- Process of Management covering planning, organizing, staffing, directing, motivating, communicating and control
- Concept of power, authority, responsibility and delegation
- Characteristics of leaders and managers
- Management Style theories
- Contingency approach

6. Management of Change **15%**

- Stages & Process of Management change
- Structural change & Cultural change
- Approaches to the management of organizational development
- Importance of managing critical period of change
- Ways of handling these periods of change

7. Pattern of Management **15%**

- Broad policies and functions
- Structural pattern of Board of Directors.
- Concept of public sector, social objectives, public sector management
- Current management thoughts



Paper2: Accounting (One Paper: 3 hours:100 marks)

Objectives

- To understand fundamental accounting principles
- To understand basic concept of cost accounting

1. Basics of Bookkeeping and accounting 10%

- Definitions and its usefulness
- Financial Accounting principles, concept and convention – measurement of business income
- Position statement
- Accounting Standards – national and international (basic knowledge)

2. Systems of Bookkeeping 10%

- Double entry system, books of prime entry, subsidiary books
- Recording of cash and Bank transactions
- Preparation of ledger accounts
- Preparation of trial balance – interpretation and usefulness

3. Bank Reconciliation statements 5%

- Need for reconciliation between cashbook and bank pass book and problems relating to the preparation of bank reconciliation statements.

4. Accounting System 25%

- Concept of capital, revenue, deferred revenue expenditures, opening entries, closing entries, adjustment entries and rectification entries.
- Accounting treatment for bad debts, reserve for bad debts and other adjusting entries.
- Depreciation- significance, accounting and various methods of calculation of depreciation.
- Concept of single entry system, conversion of single entry system into double entry system of accounting.
- Preparation of receipts and payments accounts, income and expenditure accounts.
- Significance of reserves and provisions.
- Bill of Exchange, consignment and joint venture

5. Elements of Cost Accounting 15%

- Basics of cost and management accounting:
- Evolution of cost accounting and management accounting, cost concepts and cost object,
- Cost classification, cost organization and its relationship with other departments.
- Elements of cost and cost determination.
- Material cost-purchase procedure, store keeping and stock control, pricing issue of material and accounting thereof, perpetual inventory and physical stock taking, identification of slow, non-moving and fast moving items, ABC analysis, JIT system, level of inventories and economic order quantity, analysis, investigation and corrective steps for treatment of stock discrepancies – control through other means.
- Labour costs – remuneration methods, monetary and non-monetary incentive schemes, payroll procedures, labour analysis and idle time, measurement of labour efficiency and productivity, analysis of non productive time and its cost, labour turnover and remedial measures, treatment of idle time and overtime.
- Direct expenses – nature, collection, classification and treatment of direct expenses.
- Overheads – nature, collection and classification.
- Production overheads – collection, apportionment, absorption, use of predetermined recovery rates, treatment of under and over absorption, fixed, variable and semi variable overhead, report for control of overhead cost.
- Administration, selling and distribution overheads – analysis, accounting and control, treatment of miscellaneous items in cost accounting.

6. Cost Sheets 15%

- Cost data collection
- Cost Sheet formats
- Preparation of cost sheets.

7. Behaviour of Costs 20%

- Fixed & Variable costs
- Direct & Indirect costs
- Cost Behaviour for decision making
- Marginal Costing and Break Even Analysis



Paper 3 : Economics and Business Fundamentals (One paper : 3 hours : 100 Marks)

Objective

- To gain basic knowledge of economics
- To understand different structures of organization
- To know how stock exchange functions

A. ECONOMICS (60 marks)

- 1. Basic Concepts of economics** **10%**
 - The Fundamentals of Economics & Economic Organizations
 - Utility, Wealth,
 - Basic Elements of Supply and Demand, elasticity
 - Equilibrium
 - Theory of Production
 - Cost of production,
- 2. Forms of Market** **5%**
 - Perfect competition and Imperfect competition
 - Pricing in perfect and imperfect competition
- 3. National Income** **5%**
 - Gross National Product
 - Net National Product
 - Measurement of National Income
 - Economic growth and fluctuations
 - Consumptions, savings and investments
- 4. Theory of Employment** **5%**
 - Type of unemployment
 - Concepts of full employment
 - Labour and Population theories
 - Definition of capital and growth of capital
 - Steps in capital formation
- 5. Money** **10%**
 - Definition and functions of money
 - Quantity theory of money
 - Inflation and effect of inflation on production and distribution of wealth
 - Control of inflation
 - Money supply
 - Liquidity preference and marginal efficiency
 - Rate of interest and investment
- 6. Banking** **10%**
 - Definition
 - Functions and utility of Banking
 - Principle of commercial banking
 - Essentials of sound banking system
 - Multiple credit creation
 - Functions of Central Bank
 - Weapons of credit control and money market
 - National & International Financial Institutions
- 7. International Trade** **5%**
 - Basic feature of export and import
 - Competitive advantage of trade
- 8. Public Finance** **10%**
 - Direct and indirect taxes
 - Principle of taxation
 - Effect of taxation on production and distribution
 - Deficit financing system



B. Business Fundamentals (40 marks)

9. Type of Business Unit

10%

- Sole proprietorship, Partnership, Companies, Cooperatives
- Hindu Undivided Family
- Joint Stock Companies
- Public Utilities services
- State Enterprises
- Limited Liability Partnership

10. Company Organization and Management

10%

- Types of companies and their formation
- Incorporation and commencement of business
- Memorandum of Association, Articles of Association and Prospectus
- Shares and debentures
- Board of Directors and General Meeting

11. Business Objectives

5%

- Concept and rationale of social responsibility
- Business and its environment, interface with legal, political, economic, social and cultural aspects

12. Stock Exchange and its workings

10%

- Dealers and brokers transactions
- Economic significance, condition of membership
- Role of stock exchanges , Depository participant

13. Business Communication and Report Writing

5%



Paper 4: Business Mathematics and Statistics Fundamentals (One Paper: 3 hours:100 marks)

Objectives:

- To understand basic concepts in mathematics and statistics which are applied in the management science.

1. Arithmetic

10%

- Average, mixtures
- Ratios and proportions
- Computation of interest
- Discounting of bills

2. Algebra

15%

- Real and imaginary number, rational and irrational number
- Set theory and simple application of Venn diagram
- Truth table and its applications
- Indices and surds
- Variation, Logarithms
- Permutations and Combinations
- Compound interest
- Linear simultaneous equations (3 variables only)
- Quadratic equations
- Solution of linear inequalities (by geometric method only)

3. Mensuration

15%

- Area and perimeter of triangles, circles, parallelogram, regular polygon
- Volume and surface of cube, prism, cylinder, pyramid, cone, and spheres (including zone and segments)

4. Co-ordinate Geometry

10%

- Plain co-ordinate Geometry (Rectangular Cartesian co-ordinates only)
- Length of line segments, Section ratio
- Gradient of a line, equation of straight line, Circles, parabola, ellipse and hyperbola (standard forms only)

5. Calculus

15%

- Constant & Variables, Functions, Limit & Continuity
- Differentiability & Differentiation, Derivatives and their use, Successive & partial differentiation
- Maxima & Minima, Maxima & Minima under constraint using Lagrange transform
- Indefinite Integrals: as primitives, integration by substitution, integration by part
- Definite Integrals: Evaluation of standard integrals, as area under curve
- Applications of Calculus

6. Statistical Methods

35%

- Data tabulation and presentation, frequency distribution
- Measures of Central Tendency (Mean, Median, mode)
- Measurement of Dispersion (range, mean deviation, standard deviation, variance)
- Measures of Skewness & kurtosis