

MASTER OF COMMERCE

First Semester

(Under CBCS)

Paper: COM 1016

BUSINESS POLICY ANALYSIS



CONTENTS:

BLOCK-I: STATE INTERVENTION IN BUSINESS

BLOCK-II: LAWS RELATING TO ECONOMIC PRACTICES

BLOCK-III: PUBLIC ENTERPRISES

BLOCK-IV: MICRO -SMALL AND MEDIUM ENTERPRISES

BLOCK-V: FOREIGN CAPITAL AND INVESTMENT

**BLOCK-VI: ECONOMIC DEVELOPMENT OF NORTH
EASTERN REGION**

SLM Development Team:

Head, Department of Commerce, G.U.
Programme Co-Ordinator, M.Com., GUCDOE
Prof. S. K. Mahapatra, Department of Commerce, G.U.
Prof. Prashanta Sharma, Department of Commerce, G.U.
Mr. Rajen Chetry, Assistant Professor, GUCDOE

Course Coordination:

Dr. Debahari Talukdar Director, GUCDOE
Dr. Tilak Ch. Das Programme Coordinator, M.Com, GUCDOE & Assistant. Professor, Dept. of Commerce, G.U.
Mr. Rajen Chetry Assistant Professor, GUCDOE
Dipankar Saikia Editor SLM, GUCDOE

Contributors:

Dr. Kripanjali Pradhani Block I (Unit-1)
Asst. Professor, BH College
Mr. Uday Kr Shome Block I (Unit-2)
Assistant Professor, Kokrajhar Commerce College
Prof. Ibemcha Chanu Block I (Unit-3), Block II (Unit-3)
Dept of Commerce, Bodoland University
Manish Killing Block II (Unit-1)
Assistant Professor, Bhattadev University
Dr. Chandraprabha Bohra Block II (Unit-2), Block III
Assistant Professor, KC Das Commerce College
Mr. Ripunjoy Goswami Block IV (Unit-1), Block V (Unit-1, 4)
Assistant Professor, MSSV, Nagaon
Dr. Bonosree Bhuyan Block IV (Unit-2,3)
Assistant Professor, KC Das Commerce College
Prof. Sujit Sikider Block V (Unit-2,3)
Retired Prof, Dept of Commerce, G.U.
Dr. Amrita Das Block VI (Unit-1 & 3)
Assistant Professor, SBMS College
Mr. Rajen Chetry Block VI (Unit-2 & 4)
Assistant Professor, GUCDOE

Content Editing:

Prof. Aparajeeta Borkakoty Professor, Deptt. of Commerce (Block I & II) Gauhati University
Mr. Rajen Chetry Assistant Professor, GUCDOE (Block III, IV, V) (Block VI : Unit- 1 & 3)

Format Editing:

Mr. Rajen Chetry

Assistant Professor, GUCDOE

Mr. Kiran Tanti

Assistant Professor, GUCDOE

Cover Page Design & Type Setting:

Bhaskar Jyoti Goswami

GUCDOE

Nishanta Das

GUCDOE

ISBN: 978-81-964928-8-5

March, 2024

© Copyright by GUCDOE. All rights reserved. No part of this work may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, or otherwise.
Published on behalf of Gauhati University Centre for Distance and Online Education by the Director, and printed at Gauhati University Press, Guwahati-781014.

Syllabus

M.COM. 1ST SEMESTER

COM-1016: BUSINESS POLICY ANALYSIS

Unit-I: State intervention in Business-Role of government in different economic systems-need and objectives of intervention role of state in economy- regulatory, promotional and entrepreneurial.

State intervention in business

- a) Need and objectives and constitutional provisions for intervention.
- b) Role of government: Regulatory, promotional and entrepreneurial
- c) Role of government in different economic system-laissez fairer, capitalism, socialism.

Unit-II: Laws relating to economic practices- IDRA, 1951, FEMA, 1999, Foreign Trade (Development and Regulation) Act, 1992, industrial policies, Industrial Policy Resolutions and statements.

Unit-III: Public enterprises and restructuring- sickness in PE's and Revival- Disinvestment- objectives, components, policy, private sector –growth- investment claimed; public –pvt. Partnership.

Unit-IV: Micro- small and medium enterprises in India- Rationale – government initiatives in the sector- MSMED Act, 2006.

Unit-V: Foreign capital and investment- rationale –new policy for FDI 2011, portfolio investment, foreign institutional investment – advantages –ECB's NRI investment –modes of entry of MNC's – MNC's in India- Foreign Trade Policy.

Unit-VI: Special package for economic development of NER; DONER and its role in economic development, infrastructure and industry; NE industrial policy –promotional measures for cross trade, role of NEC and NEDFI, NE India under look east policy.

Books Recommended:

1. Business Environment: Sikidar, Das Nath and Nath
2. Business and Government: N.K. Sengupta, Vikas Publishing Co, New Delhi.
3. Indian Economy: Rudder Dutta and Sundaram
4. Business and Government: Franchis Cherunilam, Huimalaya Publishing House.

1. Indian Economy: Agarwal, A.N.
2. NEC Journal
3. Indian Economy: S.K. Misra and V.K. Puri, Himalaya Publishing House.

COM-1026: FINANCIAL REPORTING AND ANALYSIS

Marks: 80

Unit I: International Financial Reporting Standards & their scope and objectives:

International Accounting Standards Committee Foundation (IASCF) and its objectives and responsibilities; International Financial Reporting Interpretations Committee (IFRIC); Objectives, scope and process of issuing International Financial Reporting Standards (IFRS).

Unit II: The Conceptual framework for the preparation and presentation of financial statements

Meaning and significance of conceptual framework of financial statement: conceptual framework:

- I. Issued by the ICAI, and
- II. Issued by the International Accounting Standards Board ('IASB') – under IFRS covering (i) objectives and users of financial statements, (ii) the reporting entity, (iii) the qualitative characteristics that determine the usefulness of information in financial statements, (iv) the definition of the elements of financial statements, (v) the recognition of the elements from which financial statements are constructed (vi) the measurement of assets and liabilities reported in financial statements and (vii) concepts of capital and capital maintenance.

Unit III: Regulatory Framework and National differences:

- (a) The regulatory frameworks for the preparation and presentation of financial statements: Relevant provisions of Companies Act and compliance with the Accounting Standards and SEBI Guidelines.
- (b) Comparison of Indian Accounting Standards and IFRS.
- (c) National differences in financial reporting practices; Reasons for national differences in financial reporting practices; Attempts to reduce national differences.

Unit IV: Reporting Criteria:

Criteria for information appearing in a published income statement and balance sheet; Reporting

comprehensive income; Segmental reporting; Accounting policies; Directors' report; Notes to the accounts.

Unit V: Application of Accounting Ratio's in Decision Making:

Predictive Value of Accounting Ratios. Ratio Analysis for Performance Evaluation (Activity and Profitability). Ratio Analysis for Financial Health (Solvency and Structural Analysis).

Unit VI: Liquidity Analysis

Application of Accounting Ratios in the Analysis of Working Capital and Inter Firm Comparison.

Unit VII: Valuation of Assets, Liabilities and Owners' Equity; Application of relevant Accounting Standards.

Books Recommended:

1. Financial Statement Analysis- Foster, Pearson Education, New Delhi.
2. Financial Policy and Management Accounting, - Bhabatosh Banerjee, Prentice hall of India, New Delhi.
3. Financial Statement Analysis – Sujit Sikidar & H.C. Gautam, New Central Book Agency, Kolkata
4. Management Accounting – M.Y. Khan and P.K. Jain, Tata McGraw Hill Publishing Co. Ltd. New Delhi.
5. Financial Accounting for Business Managers Ashis Kumar Bhattacharjee, Prentice Hall of India, New Delhi.
6. Accounting Theory- L.S. Porwal, Tata McGraw Hill Publishing Co. Ltd., New Delhi.

COM-1036: MARKETING POLICY ANALYSIS

Marks 80

Unit I : Marketing challenges in a liberalizing and globalizing India; Holistic marketing concept; the value framework; global marketing environment; measuring demand and forecasting, relationship with other functional areas.

Unit II: Product Policies; Differentiation; Challenges in new Product Development; Branding Strategies & Packaging, Role of Brands, Brand Equity, Brand Loyalty, Brand Awareness, Brand Associations, selection, creation & maintaining Associations

Unit III: Importance of Integrated Marketing Communication, Developing effective communication; Managing Mass Communications: Advertising, Sales Promotion, Events and Public relations, Personal selling

Unit IV : Pricing Strategies; Setting the price; Adapting the price and responding to price changes; Marketing Channels structures & functions, Channel design & Implementation, Channel Power, Conflict, Cooperation and Competition.

Unit V :Retail Organisation, Retail Planning Strategic issues in retail, Non store retailing & electronic channels, Market logistics .Direct marketing ,Types and benefits, Online advertisement and promotion ;Ethical issues in E-marketing

Books Recommended

1. Philip Kotler, Keller Lane Kevin, Marketing Management, Prentice Hall of India, 2005.
2. P.K Agarwal, Marketing Management an Indian Perspective, Pragati Prakasan, 2003.
3. Judy Straus, Adel EL-Ansary, Raymond Frost, E-Marketing, Prentice Hall of India, 2004
4. Roger J Best, Market Based Management Strategies fro Growing Customer value an profitability, Prentice Hall of India Pvt Ltd, 2004.
5. V.S Ramswamy, S Namakumari, Marketing Management Planning, Implementation and Control, Macmilan India Ltd, 2001.
6. Dr. S.L Gupta, Brand Management, Text & Case an Indian Perceptive, Himalayan Publication House, 2000.
7. Kumar, Marketing Branding, Perason Education, Delhi-92.
8. Cox Roger, Brittain Paul, Retailing An Introduction,2006, Pearson Education
9. Coughlan, Anderson, Stern, Ansary, Marketing Channels, Sixth Edition,2006, Pearson Education
10. Aaker A. David, Managing Brand Equity,1991,The Free Press
11. Badi R.V, Badi N.V,Rural Marketing,2009, Himalaya Publishing House
12. Keller Lane Kevin, Strategic Brand Manager, Building, Measuring and Managing Brand Equity, 2007, Pearson Prentice Hall.

COM-1046 : BUSINESS STATISTICS

Unit I: Sampling Distribution and Theory of Estimation

Concept of Sampling fluctuations, sampling distribution of a statistic and its standard error, statement of Central Limit Theorem, estimation of the mean and the variance of the

sampling distribution of the sample mean, point estimation and interval estimation for population parameter.

Unit II: Testing of hypothesis

Null hypothesis, alternative hypothesis, simple hypothesis, composite hypothesis, Type I error, Type II error, level of significance, critical region, distinction between parametric and non-parametric tests, tests based on standard normal test or Z –test, t-test, chi-square () test, F-test, paired –sample sign test, wilcoxon signed Rank-sum test, Mann-Whitney U-test, Run test and Median test for randomness.

Unit III: Partial and Multiple Correlation and Regression, Association of Attributes:

Concept of partial and multiple correlation and regression, various formulae and problems, uses and limitations of partial and multiple correlations and regressions, coefficient of multiple determination; Association of attributes: concept, order of a class, class frequency, consistency of data, kinds of association of attributes, methods of measuring association between two attributes, partial association.

Unit IV: Measures of Inequality

Standard deviation and variance, coefficient of variation, Lorenz curve and Gini coefficient, Pareto's Law of income distribution, deprivation index.

Unit V: Statistical Decision Theory

Basic terminologies in decision theory, payoff table, opportunity loss table, steps in decision making process, decision making under conditions of uncertainty and risk, decision trees, advantages and limitations of decision trees.

Books Recommended:

1. Essential Statistics for Economics and Business Studies: Padmalochan Hazarika, Akansha Publishing House, New Delhi.
2. Business Statistics: S. Saha, New Central Book Agency.
3. Basic Statistics: B.L. Agarwal, New Age International Limited.
4. Statistics for Management: Prentice Hall of India Limited Levin Richard, and Rubin David
5. Quantitative Techniques for Decision Making: Anand Sharma, Himalaya Publishing House.

COM-1056: FINANCIAL MARKETS AND INSTITUTIONS

Unit-I

Financial System- Concept and Functions of a Financial System; Components and Structure of Indian Financial System, Financial Markets, Financial Instruments, Financial Institutions and Financial Services; Financial Development and Economic Development, Flow of Funds Accounts, Indicators of financial Development; Reforms in the Indian Financial System.

Unit II

Financial Markets- Functions, Types; Money Market: Nature and Scope, Types of money markets and instruments: Call Money Market, Treasury Bill Market, Commercial Bills, Certificate of Deposits, and Repos.

Unit III

Capital Market: Nature and Scope, Types: Primary Market- Equity Market, Debt Market, IPOs, and Private Placement; Secondary Market- stock exchanges, their functions, Trading Mechanism, Security Depositories and its Benefits- NSDL and CDSL.

Unit IV

Money and Commercial Banks: Meaning and Functions of money and money supply, Functions of a Modern Commercial Bank, Credit creation process, Types of Banks and Banking system, Structure of Commercial Banks in India, Recent Developments in Banking Operations: E- Banking, Mobile Banking, Core Banking Services, Electronic Fund Transfer, RTGS and NEFT, Central Bank and its functions- Reserve Bank of India.

Unit V

Financial Institutions and Services: Financial Intermediaries – Banking and Non Banking Financial Institutions and their services/products, Leasing, Credit Rating Services, Venture Funds, Mutual Funds and Insurance; Regulating Framework for Financial System and its importance.

Suggested Books:

1. The Indian Financial System by Bharati Pathak, Pearson Education.
2. Financial Institutions and Markets by L M Bhole, Tata MC Graw Hill.
3. Dynamics of Financial Markets and Institutions in India by R M Srivastava and Divya Nigam, Excel Books.
4. Indian Financial System by H R Machiraju, Vikas Publishing House.
5. The Indian Financial System and Development by Vasant Desai, Himalaya Publishing House.

CONTENTS:

Block I: State Intervention in Business

(Page: 11 to 55)

- Unit 1 : State intervention in Business, need and objectives and constitutional provision for state intervention
- Unit 2 : Role of Government in Business- Regulatory, promotional and entrepreneurial
- Unit 3 : Role of Government in different economic system- laissez faire, capitalism and socialism

Block II: Laws Relating to Economic Practices

(Page: 57 to 124)

- Unit 1 : Laws Relating to Economic Practices: IRDA 1951, FEMA 1999
- Unit 2 : Foreign Trade (Development and Regulation) Act 1992
- Unit 3 : Industry Policy Resolutions and Statements

Block III: Public Enterprises

(Page: 125 to 158)

- Unit 1 : Public Enterprise and Restructuring, Sickness in Public enterprise and its revival
- Unit 2 : Disinvestment - its objectives, components and policy
- Unit 3 : Public-Private Partnership

Block IV: Micro -Small and Medium Enterprises

(Page: 159 to 228)

- Unit 1 : MSMEs in India
- Unit 2 : Various Govt. Initiatives in the MSME sector
- Unit 3 : MSMED Act 2006

Block V : Foreign Capital and Investment

(Page: 229 to 285)

- Unit 1 : Foreign Capital and Investment , New policy for FDI
- Unit 2 : Portfolio investment, foreign institutional investment- their advantages, External Commercial Borrowing and NRI Investment
- Unit 3 : Modes of entry of MNC's - MNC's in India
- Unit 4 : Foreign Trade Policy

Block VI: Economic Development of North Eastern Region

(Page: 287 to 340)

- Unit 1 : Special Packages for Economic Development of NER
- Unit 2 : DONER and its Role
- Unit 3 : North East Industrial Policy-Promotional Measures for Cross Border
- Unit 3 : Role of NEC and NEDFI in the development of NER, NE India under Look East Policy