

**Department of Economics,
Faculty of Social Sciences,
Banaras Hindu University, Varanasi**

**Revised & Updated Ordinance, Course
Structure & Curriculum**

**P. G. Diploma in Business Economics
(PGDBE)**

(In force from Session 2017-18)

**Department of Economics,
Faculty of Social Sciences,
Banaras Hindu University, Varanasi**

**Syllabus- P.G. Diploma in Business Economics
In force from Session 2017-18**

Preamble: - For the present world which is becoming increasingly competitive & materialistic, the relevance of economic science is on a high. Success of a nation today depends on the extent to which it is able to assess its resources and make decisions to allocate it prudently. The government and the business need people with training, expertise and proficiency in business and economics to be the leading light. They require young men and women who are equipped with sophisticated technical, econometric and mathematical tools and at the same time have their feet firmly grounded in sound knowledge of economics and management. It is to meet this end that the present programme is designed. The programme is structured to nurture, guide, train and develop young guns in the art and craft of economic management. The curriculum to be taught by the theoreticians and practioners drawn from core economics, management, commerce and psychology would expose the taught to dynamic and complex world and equip them to come out on top.

Objectives:

1. Training Students in basic economic theory, management and techniques of economic analysis.
2. Enabling students to analyse economic issues and find solutions to complex economic and managerial problems and take correct economic judgment.
3. Keeping tact with the latest development in the dynamic field of economic science.

Outcome:

After Successful completion of the course the taught -

- would be able to find a rewarding job in the organised job market in the private and the public sector.
- would be able to start his/her own business like setting up his/her own concerns or taking up consultancy services
- would be better equipped in policy formulation and economic administration.

Structure:

P.G. Diploma in Business Economics will be a 46 credit Programme. There will be 9 major papers (of 4 Credits each), 5 in Semester –I and 4 in Semester-II. In addition in Semester –II there will be paper on Project Appraisal and Project Report based on Internship of 6 Credits. There will be 2 Minor Papers of 2 Credits each (in each of the two Semesters). The details of these courses are given below-

Table-1
Semester wise Details of Courses under
P. G. Diploma in Business Economics

Course	Semester-I	No. of Credits	Course	Semester-II	No. of Credits
DBE 1.1	Microeconomics for Business	4	DBE 2.1	Financial Accounting & Business Finance	4
DBE 1.2	Macroeconomic Analysis & Policy	4	DBE 2.2	Marketing Management	4
DBE 1.3	Quantitative Technique	4	DBE 2.3	Operations Research	4
DBE 1.4	Business Environment & Law	4	DBE 2.4	Time Series & Business Forecasting	4
DBE 1.5	Organizational Behaviour and Development	4	DBE 2.5	Project Appraisal & Project Report	6
DBE 1.6	Business Communication*	2	DBE 2.6	Computers for Business*	2

*These two Minor Courses of 2 credits each would be taught in the Workshop mode. The Department would organise at least one workshop on each of these Courses. The workshop would be of two weeks duration. The syllabus would not be fixed. Depending on the need, requirement and level of knowledge of the students the **Course Coordinator would announce the syllabus at the beginning of the semester after taking due approval from the Department PPC. The students would be then informed about the same.**

Scheme of Examination- There are three kinds of papers in the Programme and there will be different testing procedure in these-

Case-1-For all Courses except for Courses DBE-1.6(Business Communication), DBE-2.5(Project Appraisal & Project Report of Internship) and DBE -2.6(Computers for Business) the scheme of examination would be as following-

Table-2
Scheme of Examination for 4 Credit Courses

Name of Examination & Marks Allotted	Evaluation Criteria-1 & Marks Allotted	Evaluation Criteria-2 & Marks Allotted	Duration of Exam
Internal Assessment- 30 Marks	Class Test- 10 Marks	Assignment/ Field Work/ Term Paper/Quiz-20 Marks (The Instructor shall decide and inform the Coordinator of the Programme the exact method to be followed by him at the beginning of the Semester)	Class Test shall be of 1 Hour Duration
End Semester Examination – 70 Marks	Written Examination at the end of the Semester-70 Marks	XXXXX	2 Hours

Case-2 Scheme of Examination for Course DBE-1.6(Business Communication) and DBE -2.6(Computers for Business) – The students would be tested on the basis of-

- Their involvement, attendance and participation in the workshop -30 marks
- Test t be conducted after the end of the Second Workshop-70 marks (The Coordinator would, in consultation with the Resource Person(s) organise test after the end of the second workshop

Case-3 Scheme of Examination for Course DBE-2.5 Project Appraisal & Project Report
 -This paper shall have two components-

- First component will be theoretical as per the given syllabus. The students would have to go either for Winter Internship (15th December to 15th January) or shall have to do a Project based on primary survey. He/She will have to submit a Report in the month of April. The Report will be evaluated for 40 marks and shall be followed by a Viva-Voce to be conducted internally by a panel of 3 experts (from the Department) to be nominated by the Head and Coordinator of the Course.
- Second Component would be the evaluation of the progress made on the syllabus of the course taught through end semester examination. Thus there will be end semester examination of 2 hours duration for 50 marks on the written content of the course.

A brief description of the syllabus of the papers mentioned above is presented below

Semester-I

Course	Semester-I	No. of Credits
	Core Courses- 5 Minor Course -1	
PGDBE 1.1	Microeconomics for Business	3
PGDBE 1.2	Macroeconomic Analysis & Policy	3
PGDBE 1.3	Quantitative Technique	3
PGDBE 1.4	Marketing Management	3
PGDBE 1.5	Organizational Behaviour and Development	3
PGDBE 1.6	Business Communication*	2

PGDBE-1.1 Microeconomics for Business

Consumer behaviour: Utility analysis- concept, measurement, law of diminishing -marginal utility, Indifference Cur, law of equi-marginal utility, Indifference Curve equilibrium-price, income and substitution effects, Derivation of Consumer's Demand Curve: Law of demand, elasticity of demand, Empirical demand estimation, Demand forecast-features, objectives and methods.

Producer's Behaviour: Production function, Laws of Production- law of variable proportion, law of returns to scale; production function with two variable inputs- isoquants, concepts, properties, optimum factor combination, scale of production- economies and diseconomies of large scale production, capacity utilisation, empirical estimation of production function

Theory of Firm- Market Structures- Characteristics, Revenue –concepts, revenue curve under perfect and imperfect competitions: Cost Concepts- Cost function: Short run and long run, empirical estimation of cost function, pricing and output decisions under perfect competition; oligopoly and monopoly; degree of monopoly and concentration, shut down price. Price determination-mark up pricing, marginal cost pricing, average cost pricing, peak load pricing, break-even pricing, Applications of method of pricing of new products.

Basic ideas of welfare economics, market failure, externalities, public goods, behaviour under certainty and uncertainty, economics of information

Readings:

- Krugman, Paul and Robin Wells, (2008): Microeconomics, {ISA, lyorth publishers
- Pindyck and Rubinfeld QAO): Microeconomics, India, prentice Hall,
- Jones, Trefor (2004): Business Economics and Managerial Decision Making UM John Wiley and Sons
- Mansfied, Edwin (1997): Applied Microeconomics, USA, W.W. Norton and Co.
- Damodaran, Suma,(2006:. Managerial Economics, U.K. Oxford University Press.
- Varian, Hal (1992): Microeconomic Analysis, USA, W.W. Norton and Co

PGDBE-1.2 Macroeconomic Analysis & Policy

National income accounting and National Income Identities, Measurement of National Income and Growth Rates in India, Circular Flow of Income in a two, three and four sector economy.

Determination of Income, Output & Employment- Classical Approach(Introductory), Keynesian Approach and Introduction to Post-Keynesian debate (New Classical Vrs. New Keynesian), Analysis of fiscal and monetary policies in the closed and open economy IS-LM models, including the Mundell-Fleming model

Consumption Function- Absolute Income Hypothesis and preview of post-Keynesian theories, Investment Function-MEC & MEI- Multiplier & Accelerator

Supply of Money –The H-Theory and R.B.I. Classification, Understanding the components of supply of money in India and their significance for business and economy, Methods followed by the RBI to regulate Supply of Money.

Demand for Money-Concept & Determinants (theoretical as well as applied perspective), Estimating Demand for Money in India

Macroeconomic Problem- Inflation & Unemployment- Phillips Curve, Theoretical Model of Inflation in India, Economic Fluctuations- Nature and Characteristics of Trade Cycle, Causes of occurrence of trade cycle from demand side (theoretical interpretation has to be given) and supply side (In context of Real Business Cycle Theory), Recent Crises in the world

Readings

- Blanchard, O. (2007): Macroeconomics, New Delhi, Pearson Education.
- Abel, A.S. and B.S. Bernanke (2005): Macroeconomics, New Delhi, Pearson Education.
- De Souza, E. (2008): Macroeconomics, New Delhi, Pearson Education
- Dornbusch. R., S. Fischer and R.Start, (2004): Macroeconomics, New Delhi, Tata Mc Grow Hill.
- H.Yane (1997): A Macroeconomics Reader, New York, Routledge. World Bank (2007): World development

PGDBE-1.3 Quantitative Techniques

Basic probability theory, Mathematical expectation, Chebyshev's inequality and law of large numbers , Binomial, Multi Nominal, Geometric, Hyper-Geometric, Poisson , Exponential uniform, Normal, Log -normal distributions and their properties, Central limit theorem.

Elements of statistical inference: Estimation, concepts of sampling, distribution of a statistic theory of point estimation and interval estimation, test of significance including Z, Chi-square, t and F tests, Analysis of Variance - one and two way classifications .

Non- parametric statistics

Estimation of regression coefficients by least -squares and maximum likelihood methods, tests of significance of Regression coefficient, multiple regression and correlation, and assumptions.

Functions: Linear and quadratic functions and models, Calculus and Optimization, Introduction to Data Envelopment Analysis.

Readings

- Chou, Y.L.(1969): Statistical analysis, for economics
- Leviry R.D. and Rubin D.S, (2005) : Statistics for management , India , Pearson Education
- Gujarati , Damodar (2007): Essentials of Econometrics: UK, Irwin McGraw Hill co
- Clare, Monis, (2007): Quantitative Approaches in business Studies, U.K Great Britain, Pearson Education Ltd.
- Ramanathan, Ramu (2002) : Introductory Econometrics with Application. Singapore, Thomson Asia Pvt. Ltd
- Ilebster, A.L. (2008) : Applied Statistics for Business Singapore, McGraw Hill
- Wooldridge, J.M (2007) : Introductory econometrics, New Delhi South Weston, Thomson
- Chiang, A.C. (Latest Ed) : Fundamental Methods of Mathematical Economics, New Delhi, Tata McGraw Hill
- Ray, Subhash, Data Envelopment Analysis (Latest ed)

PGDBE-1.4 Marketing Management

Marketing: Meaning, Nature, Scope, Evolution and Importance of Marketing; Various Philosophies of Marketing; Introduction to Market-mix & its Components; The Marketing Environment & Scanning; Marketing Information System.

Market Classification – Consumer & Industrial Market, Goods and Service marketing; Market Segmentation, Targeting & Positioning; Product and Product-mix Decisions; Branding, Packaging and Labelling Decisions

The New Product Development Process; The Consumer Adoption Process; The Concept of Product-life-cycle; Stages of PLC and Marketing Strategies; Pricing Decisions – Setting and Modifying the Price; Initiating and Responding to Price Change

Distribution Decisions – Nature & Functions of Channels; Channel Design and Management Decisions; Nature & Objective of Market Logistics; Marketing Communication-mix Decisions – Setting the objectives and budget; Deciding the Communication Mix – Advertising, Sales Promotion, Publicity and Public Relations & Personal Selling; Use of social media in promotion

Organizing and Implementing Marketing in Organization; Methods of Marketing Control; Emerging Issues and Trends in Marketing

Readings

- Kotler, Philip and Kevin Lane Keller : Marketing Management , India, Prentice-Hall
- Kumar, Arun and N. Meenakashi : Marketing Management, India, Vikas publishing
- Kurtz, David L. and Louis E. Boone :Principles of marketing, USA,Thomson- south- western.

- Rajat Saxena : Marketing Management, McGraw Hill, New Delhi

PGDBE-1.5 Organizational Behaviour & Development

Nature and scope of organizational behaviour: Theoretical frameworks, challenges and opportunities.

Motivation: Meaning, motives, work motivation approaches, job design & goal setting, organizational reward system.

Conflict and negotiation skills: Intra-individual, interpersonal, inter-group conflicts, organizational conflicts, negotiation skills.

Leadership and Organizational Culture: Meaning and theories of leadership, leadership styles and skills, roles and activities. Organizational culture: Nature and types, creating and maintaining culture, ethical organizational culture, workplace spirituality.

Organizational change and stress management: Organizational change, forces for change, planned change, resistance to change, and overcoming resistance to change. Occupational Stress: Meaning, causes, effects and its management.

Readings:

- Robbins, Stephen P, (Latest ed): Organizational behavior concepts, controversies and applications, New Jersey, Prentice Hall,
- Luthans, F. (2011). Organizational Behavior: An Evidence - Based Approach (12th Ed.). New York: McGraw Hill.
- Prasad L and Banerjee, A.M., (Latest ed): Management of Human Resources, New Delhi, Sterling publisher (P) Ltd.
- Udai Pareek (Latest ed): Practical Organizational Behaviour, U.K Oxford University Press
- Mirza Saiyadain, (Latest ed): Organizational Behaviour , India, Tata McGraw Hill

PGDBE-1.6 Business Communication*

Course is to be taught in the Workshop mode with syllabus to be announced by the Coordinator at the beginning of the semester after taking due approval from the Department PPC. The students would be then informed about the same

Semester-II

Course	Semester-II	No. of Credits
	Core Courses- 4 Project Report-1 Minor Course -1	
PGDBE 2.1	Financial Accounting & Business Finance	3
PGDBE 2.2	Human Resource Management	3
PGDBE 2.3	Operations Research	3
PGDBE 2.4	Econometrics & Business Forecasting	3
PGDBE 2.5	Project Appraisal & Project Report	4
PGDBE 2.6	Computers Applications*	2

PGDBE-2.1 Financial Accounting & Business Finance

Introduction: Basic principles of Accounting, Accounting concept and conventions, double entry system Journal Ledger, bank Reconciliation Statement Trial Balance, Final Account Of proprietary.

Company Accounts I- Accounting for issue of shares, forfeiture of shares, Issue and redemption of Debentures,

Company Accounts II -Special features of Company's Financial Statement, preparation of Financial Statements of Companies as per the Provisions of Companies Act.

Business Finance : Meaning and scope of Business Finance, Functions of Business Finance, Objectives of Financial Management- Profit Maximisation Vs Wealth Maximisation, Time Value of Money, Techniques of capital budgeting, Financial Terminology.

Financial Planning: Concept of Financial Planning, objectives, importance and limitations of Financial Plan, Short term, Medium term Long term Planning, Sources of Short term Medium term and Long term finance, Leverages.

Analysis and control: Financial ratio analysis, funds flow analysis, financial forecasting analysis of operating and financial leverages.

Reading

- Shim.J & J.Giegel, (2004): Financial management, Schaum outline Series, India, Tata McGraw Hill Co.
- Brealey, R and S.C. Luyers, (2000): Principles of Corporate Finance; New York McGraw Hill.
- Grimblatt, M and S. Tionan, (2002): Financial Markets and Corporate Strategy), New Delhi, McGraw Hill.
- Rustagi.R.P, (2006): Financial management , theory concepts and applications, India, Galgotia Publishing Company
- Khan, M.Y, (Latest ed): Financial Management ,New Delhi, Tata McGraw Hill
- Horne Van, (Latest ed): Financial management and policy, India, Prentice Hall
- Gupta, R.L. and Gupta.(Latest Edition)- V.K Principal and Practice of Accountancy

PGDBE-2.2 Human Resource Management

Human Resource Management - Definition - Objectives - Functions - Scope - Importance - HRM in India - Evolution of HRM -Quality of good Human Resource Managers

Human Resource Planning - Job Analysis, Job description and Job Specification. Recruitment and Selection - Sources of Recruitment - Selection Process - Test Types - Interview Types - Career Planning - Vs Man Power Planning and succession Planning - Career Planning - Process - Career Development - Placement and Induction.

Training - Methods of Training - Executive Development - Performance Appraisal - Methods of Performance Appraisal - Transfers - Promotion - Wage & Salary Administration - Wage Boards and Pay Commission - Wage Incentive - Fringe Benefits - Employees Welfare - Safety and Health Measures - Grievance Procedures - Redressal of Grievances.

Industrial Relations - Meaning & Characteristics of Industrial Relations - Parties to Industrial relations - Nature of Trade Unions - Problems of Trade Union - Measures to Strengthen Trade Union Movement in India - Causes for Industrial Disputes - Settlement of Industrial Disputes.

Collective - Bargaining - Features - Pre-requisite of Collective Bargaining - Agreement at different levels - Workers Participation in Management - Objectives for Successful Participation.

Readings

- K. Aswathappa -Human Resource and Personnel Management - - Tata Mc Graw Hill Publishing Co. Ltd.
- De'Genzo D & Stephens Robbins – Human Resource Management, PHI
- Garry Dessler and Biju Varkkey, Human Resource Management, Pearson Education, New Delhi.
- Michael Armstrong: Handbook of Human Resource Management, Kogan Page
- V.S.P Rao, Human Resource Management, Text and Cases, Excel Books, New Delhi.
- A. K. Ghosh, Human Resource Management (with cases), Manas Publications, New Delhi
- T. V. Rao & D. F. Pereira, Recent Experiences in HRD ,Oxford & IBH, New Delhi.

PGDBE-2.3 Operations Research

Operational definition of PERT/CPM Technique, Phases of OR, Models of Modelling in OR, OT techniques, Uses and limitations of OR. Linear Programming: Problem formulation, Graphical Solution, Simplex Method, Duality Concept

Project Management- Comparison of PERT/CPM, Assumptions of PERT/CPM, Algorithm, Network Analysis, Fundamentals of Network model, Three estimate approach of PERT, Resource Leveling and Time cost Trade-off Analysis.

Inventory Control Model: Deterministic Inventory Control Model

Simulation Techniques: Operational Definitions, The nature of simulation: Systems, Models and Simulation, Motivation, Limitation and Pitfalls: Monte Carlo Simulation Technique.

Decision Theory: Basic Structure and Components of Decision, Decision Criteria, Decision Tree.

Game Theory: Theory of two person, Zero sum game, Mixed strategies, Theory of Two person, non-zero sum game, Solution method of game

Queuing Theory: Basic Characteristics, Queuing models: M/M/1 system, M/M/C system, M/Ek/1 System

Sequencing Models: Classification, Assumptions, Sequencing Problem, n jobs through two machines 7 three machines

Replacement, Maintenance and Reliability Problems: Failure rates, Reliability function, Hazard Rate, MTBF Information Theory –Entropy- A measure of uncertainty

Readings:

- Vohra, N.D.; Quantitative Techniques in Management; Tata McGraw Hill Publishing Company Ltd., New Delhi.
- Wanger, H.M., Principles of Operation Research with Applications to Managerial Decision, Prentice Hall of India, New Delhi.
- Levin, R. I. and Kirkpatrick, C.A., Quantitative Approaches to Management, McGraw-Hill.
- Hardy, A. Taha, Operations Research – An Introduction, Macmillan Publishing Co., New York.
- Harper, W.M., Operations Research, ELBS, London.
- Hillier, F.S. & Lieberman, G.J., Introduction to Operations Research, Holden Day Inc. San Francisco.
- Hartley, R.V., Operation Research: A Managerial Emphasis, Good Year Publishing Company, California.

PGDBE-2.4 Econometrics & Business Forecasting

Classical Linear Regression Model, Assumptions, Properties (Gauss- Markov Theorem), and Maximum Likelihood Estimation, Violation of OLS Assumptions-Heteroskedasticity, Autocorrelation and Multicollinearity-Causes, consequences, common tests and remedies.

Forecasting: Introduction, definition, objective and importance, Approaches to Forecasting, Delphi method, time series method, Naive Methods

Data and data sources: cross-section time-series and Panel data, ratio, interval, ordinal and nominal, Primary and Secondary sources

Forecasts Based on Time Series Data: Trend, Seasonality, Cycles, Irregular variations, Random variations

Regression Model: Curve Fitting Forecasting with a Single-equation Regression Model
Moving Averages and Exponential Smoothing Methods of Smoothing Data, Simple exponential smoothing

Trend Models: Deterministic Trend, Holt's linear trend method, Exponential trend method , Damped trend methods ,Holt-Winters seasonal method

Seasonal Models: Concept of Seasonality Deterministic Seasonality,

Differencing and stationarity of series, autocorrelation function, white noise series, Random walk Model, The Box–Jenkins Approach, ARMA Models: First-order Autoregressive Models – AR(1) AR(2) Models AR(N) Models Moving-average (MA) Models ARMA Procedures

Volatility measurement, Modelling and Forecasting: ARCH and GARCH, VAR Models, Forecasting with Panel Data Model

(Above topics can be discussed with appropriate software in the class)

Readings

- D Gujarati: Basic Econometrics, McGraw Hill
- Jeffrey M. Wooldridge: Introductory *Econometrics: A Modern. Approach*, Cengage Learning
- Walter Enders: Applied Econometric Time Series, Wiley
- Kerry Patterson: An Introduction to Applied Econometrics Time Series Approach, Palgrave
- Jonathan D Cryer, K S Chan: Time Series Analysis with Application in R, Springer
- Pindyck Robert S. and Daniel L. Rubinfeld. (1997): Econometric Models and Economic Forecasts, New York McGraw Hill

PGDBE-2.5 Project Appraisal

An introduction : Project and programme evaluation an overview, the project cycle, planning, project selection and appraisal , project quality factors and basic needs, the measurement of project performance, project formulation and feasibility study,

Entrepreneurship: Concepts, theory and perspective, corporate entrepreneurship, generation of project idea, Market and Technical Analysis: Market analysis, managing technology, strategic technology leveraging

Financial appraisal and techniques: Investment and operational costs, project finance, private sector appraisal techniques, choice of projects, mutually exclusive projects and other issues, infrastructure finance.

Social cost benefit analysis: Economic analysis, cost –effectiveness analysis, LINIDO analysis, little mirrlees analysis, World Bank approach

Impact assessment: Economics impact analysis, social impact analyzing environment impact assessment, an integrated approach to project impact assessment

Risk analysis in project evaluation and appraisal: Taxonomy of risks, techniques for risk analysis, risk and large projects, uncertainty mitigation strategies.

Readings

- D. Potts, (Latest ed): Project Planning And Analysis For Development. Viva publisher ISBN 1555876560
- P. Belli, J.R. Anderson , H.N. Barnum , J.A. Dixon and Jee-peng Tang, (Latest ed)v: Economics Analysis of Investment Operations , World Bank Institution , ISBN 0821348507
- OECD (latest ed) : Cost benefit analysis .Vienna OECD

- Stene Lumby and Chris Joneh" (Latest ed): Corporate Finance, Thomson business ISBN 186T52576
- R.L. Pitale, (1987) : Project Appraisal Techniques, New Delhi, Oxford and IBH.
- I. M. Imboden, (1980): Management Approach to project appraisal and evaluation, Bombay, IDBI
- Colin Kirkpatrick and John Weiss, (Latest ed):,Cost -benefit Analysis And Project Appraisal In Developing Countries , Cheltenham. Edward Alger
- P. Chandra, (2002) : Projects Planning Analysis Selection, Implementation and Review, New Delhi, Tata Mc-Gmw Hill
- Planning commission manual(Latest ed): Project Appraisal Industries, Govt of India
- W.Behrens and P. M. Hawranek,(Latest ed): Manual for the Preparation of Industrial Feasibility Studies Vienna WIDO Publication
- UNIDO ,Guidelines for Practical Project Appraisal ,

PGDBE-2.6 Computer Applications*

Course is to be taught in the Workshop mode with syllabus to be announced by the Coordinator at the beginning of the semester after taking due approval from the Department PPC. The students would be then informed about the same