

# TEACHING / TRAINING MODULE

# COMMERCE

## CLASS - XI & XII

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**SCHEDULED CASTES & SCHEDULED TRIBES  
RESEARCH & TRAINING INSTITUTE (SCSTRTI)  
ST & SC DEVELOPMENT DEPARTMENT  
GOVERNMENT OF ODISHA  
BHUBANESWAR**

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# FOREWORD

The ST and SC Development Department, Government of Odisha, has initiated an innovative effort by setting up an **Academic Performance Monitoring Cell** (APMC) in Scheduled Castes and Scheduled Tribes Research and Training Institute (SCSTRTI) to monitor the Training and Capacity Building of teachers of SSD Higher Secondary Schools and Ekalabya Model Residential Schools (EMRS) under the administrative control of the ST & SC Development Department. This innovative program is intended to ensure quality education in the Higher Secondary Level of the schools of the ST & SC Development Department.

The modules and lesson plans are prepared for the '+2 Science and Commerce stream' in all the subjects such as Physics, Chemistry, Botany, Zoology, Mathematics, Information Technology, Odia, English and Commerce for both the years in line with the syllabus of Council of Higher Secondary Education (CHSE).

These modules/lesson plans are self contained. The subject experts who are the best in their respective subjects in the State have been roped in for the exercise. They have given their precious time to make the module as activity based as possible.

I hope, this material will be extremely useful for the subject teachers in effective class room transactions and will be helpful in improving the quality education at the Higher Secondary Level. I also take this opportunity to thank all the subject experts of different subjects for rendering help and assistance to prepare the modules/lesson notes and lesson plans within a record time.



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# Business Studies & Management (BSM)

1<sup>st</sup> Year

## Lesson Plan & Progress

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
I.	1.	Introduction, Economic & Non-Economic Activities			
	2.	Types of Economic Activities – Business, Profession & Employment - I			
	3.	Types of Economic Activities-Business, Profession & Employment – II			
	4.	Objectives of Business			
	5.	Requisites of a successful Business			
	6.	Classification of Business Activities – I			
	7.	Classification of Business Activities – II			
	8.	Business Risk			
	9.	Revision (Period 1 to 8 )			
	10.	Forms of Business Organizations and features of an ideal form			
	11.	Meaning and Features of Sole proprietorship			
	12.	Importance, limitation & suitability of Sole proprietorship			
	13.	Revision of Sole Proprietorship			
	14.	Meaning, definition and characteristics of partnership			
	15.	Importance and limitation of partnership			
	16.	Types of partnership and partners			
	17.	Rights, Duties and liabilities of partners			
	18.	Partnership Deed, Registration of partnership and consequence of non-registration.			
	19.	Comparison between partnership & Sole proprietorship			
	20.	Difference between general & limited partnership & Revision of partnership			
	21.	Revision of Unit – I			
	22.	Unit Test & Evaluation			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
II	1.	Meaning, Definition and characteristics of company			
	2.	Merits & limitation of Company			
	3.	Distinguish between Company and Partnership			
	4.	Types of Companies			
	5.	Difference between public & private companies			
	6.	Process of formation of a company – stages of promotion			
	7.	Incorporation & commencement of Business			
	8.	Memorandum of Association			
	9.	Articles of Association			
	10.	Difference between Memorandum of Association & Articles of Association			
	11.	Revision of company form of Business			
	12.	Meaning, Definition and Characteristics of cooperative organization			
	13.	Types of co-operative societies			
	14.	Advantages & Disadvantages of co-operative organization			
	15.	Revision of co-operative organization			
	16.	Meaning, Definition and Features of Public Enterprises			
	17.	Meaning, Features and Forms of Private Enterprises			
	18.	Difference between Public & Private Enterprises			
	19.	Changing Role of Public Sector			
	20.	Forms of Public Sector Enterprises			
	21.	Comparative study of various forms of public Enterprises			
	22.	Global Enterprises			
	23.	Joint venture			
	24.	Public Private Partnership			
	25.	Choice of a form of organization for a business			
	26.	Revision of Public & Private Sector Enterprises			
	27.	Revision of the Unit – II			
	28.	Unit Test			



Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
III.	1. 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17.	Meaning and Characteristics of whole saler Functions & Types of wholesaler Services of a wholesaler to producer, retailer and customer Revision of wholesaler Meaning, characteristics and functions of a Retailer Services of a Retailer to wholesaler and consumer Distinction between wholesaler and Retailer Types of Retailer Revision of small scale retailers Departmental Store – Meaning, Definition, Characteristics Advantages and Disadvantages Multiple shops- Meaning, Definition, features, advantages and disadvantages Mail Order Business – Meaning, Definition, features, advantages and disadvantages Super market – Meaning, Definition, Characteristics, merits & demerits Network marketing – Meaning, features, merits & demerits. E-marketing – Meaning, features, merits & demerits Revision of large scale Retailers Revision of the unit - III Unit test & Evaluation			
IV	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11.	International Trade – Meaning & Nature Importance and Disadvantages of International Trade Difference between Internal and International Trade Export procedure Documents involved in the Export Trade Import Procedure Documents used in Import Trade Revision of International Trade Revision of Export procedure Revision of Import procedure Warehousing – Meaning, Features of an ideal warehouse			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	12.	Need and functions of warehousing			
	13.	Types of warehouses and documents used in warehousing			
	14.	Revision of warehousing			
	15.	Transportation – Meaning, need and importance			
	16.	Road Transport – Meaning, Advantages & Disadvantages			
	17.	Rail Transport – Meaning, Advantages & Disadvantages			
	18.	Water Transport – Meaning, Types, Advantages & Disadvantages			
	19.	Air Transport – Meaning, Advantages and Disadvantages			
	20.	Choice of a suitable mode of Transport			
	21.	Revision of Transportation			
	22.	Revision of Unit – IV			
	23.	Unit Test & Evaluation			

Note: Periods available after completion of course shall be utilized to cater to the needs of gifted students and weak students separately.

# Period Planning

Calculation of periods available in the entire session and record of periods actually taken.

Month	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	Apr	May	Total
Periods available													
Periods actually taken													

- a) Fill up the “periods available row” taking help of “holiday list” and “college time table”
- b) Periods actually taken row shall be filled up after the respective month is over. This will help you to conform to the plan in long run.
2. Compare the periods available in the session as reflected in the above table with periods required to complete the course as per “Lesson Plan”.
3. Plan
  - i) Plan for extra classes if periods available fall short of periods required.
  - ii) If periods available is more than periods required to complete the course, then plan how to utilise them fruitfully (separate coaching for weak and gifted students)
  - iii) Write down your plan in the following space.

Plan
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4. Signature of the teacher
5. Signature of the head of the institution

# Business Studies & Management (BSM)

1<sup>st</sup> Year

## Lesson Note /Module

Preparation of a 'Lesson Note' for each period by a teacher is an essential requirement of good teaching. Even if, there exists an old note, it needs to be updated before taking a class, may be in the previous night. It serves the following purposes –

- It refreshes the memory of the teacher
- Acts as a reference note in the class room
- Sets of plan to complete a period in an effective manner

Each teacher is a creative person in his own capacity and differs from others in the approach to make a class interesting. Hence, there cannot be a "one-fit – all" lesson note. Here, an attempt has been made to guide a teacher to prepare his/ her lesson note. For the sake of uniformity in teaching of the subject, hints of important points/areas have been given to be covered in the lesson note.

The lesson note so prepared shall never be dictated in the class room nor be given to the students after the class. The students should be encouraged to note down important points during teaching to assist their memory. They shall be asked to prepare their own note referring the text/ suggest books preferably on the same day.

Memory is one of the important elements of education. This can be sharpened through repeated reflection of what have been learnt. But we tend to avoid it as it strains our brain. Therefore at the beginning of a period the teacher shall refer the topic covered in the previous period, if the same is relevant and must devote some time at the end of the period reflecting upon what have been covered during the period. Further, for the said purpose a period has been allotted for revision after end of a chapter / unit. The same shall also be used in clarifying the doubts of the students, if any in addition to the reflection of the chapter/unit.

A 'unit test' shall be conducted on completion of a unit in the classroom itself in a period allotted for the subject without disturbing other classes. 20 "one word" or "short specific answer" questions of one mark each shall be set for the unit test. Evaluation shall be made in the same class room just after the test in the same period. To remove the examination phobia, the students shall be involved in the valuation process. The answer sheets shall be collected, shuffled and again distributed among the students in such a manner that a student shall not get his/her own answer sheet. Then the answer shall be dictated and students shall be asked to evaluate the answer sheet in his/her possession. The marks no secured shall be recorded in a register maintained for the purpose. This will help in keeping track of academic progress of a student.

To make a class interesting a teacher has to go beyond the subject and should have histrionic abilities. Pleasant personality, ability to feel the pulse of the students, having light house effect of eye contact makes a class more lively. Affectionate approach instead of rude behavior, use of examples from day to day life and encouraging students to participate creates enthusiasm among them and increases their thinking ability. Above all, it should be kept in the mind that

"The mediocre teacher tells  
The good teacher explains  
The superior teacher demonstrates  
The great teacher inspires"

- William Arthur Ward

NB: The book "Business Studies & Management – Part – I" published by Odisha State Bureau of Text Book preparation and production, shall be used as the base book. Reference of books by other authors be taken to broaden the knowledge level.

## Unit – I

### **Period 1 Topic :** Introduction, Economic & Non – Economic Activities

Hints : (1) As it is the first period and you face the students for 1<sup>st</sup> time, introduce your self and try to build a healthy teacher-taught relationship. As it is not possible to know each student asking them to introduce them is a futile attempt. But tell them that the student who proves through his/her academic pro-activeness will be remembered by you first.

- (2) Introduce the subject “Business Studies & Management”, Tell its importance in commerce education.
- (3) Start with examples of human activities from day to day life and encourage students to contribute. Explain what makes an Economic Activity. Distinguish the cited examples (written on the Black board) into economic and non economic activities.
- (4) Differentiate between economic & non-economic activities on following bases.
  - i) Objective ii) Expectation iii) Relationship iv) Measurement of out come v) Logic
  - vi) Resource allocation vii) Examples

### **Period 2 Topic :** Types of Economic Activities - Business, Profession & Employment - I

Hints : Explain the meaning and features of Business

### **Period 3 Topic :** Types of Economic Activities – Business, Profession and Employment – II

Hints : (1) Explain the meaning of profession. Discuss the following Feature – a) Specialized body of knowledge b) Restricted entry c) Formal Training d) Professional Association e) Code of conduct f) Priority of service over Economic consideration.

- (2) Explain the meaning of Employment. Discuss the following features - a) Service to others b) Agreement c) Employer Employee relationship d) No need of capital e) No risk f) Service Rules Prescribed by the employer
- (3) Distinguish between Business, Profession & Employment

### **Period 4 Topic :** Objectives of Business

Hints : Discuss the 1) Economic objectives 2) Social objectives 3) Human objectives 4) National Objectives 5) Global Objectives 6) Organic objectives

### **Period 5 Topic :** Requisites of a successful Business

Hints: In the present competitive business environment where technology is changing in rapid pace and consumer preference is completely volatile it is not that easy for a business unit to thrive. So it becomes imperative to know the parameters that make a business successful one.

The parameters mentioned in the base book be lucidly explained to the students as if one is going to start a business.

### **Period 6. Topic:** Classification of Business Activities – I

Hints: Two periods have been earmarked for discussing the components of the business. In the first period draw the chart showing the components of the business. Discuss the industry portion citing examples on each types. Students be encouraged to give examples.

### **Period 7. Topic :** Classification of Business Activities – II

Hints : The students shall be invited to black board to draw the chart. Help the student who volunteers to come. Discuss the components of commerce

**Period 8. Topic :** Business Risks

Hints : Business risk refers to the possibility of inadequate profit or losses due to uncertainties. It is the part and parcel of the business. So profit is otherwise known as reward for risk taking. Discuss the types of risks and their causes.

**Period 9:** Revision of topics covered in periods 1 to 8.

**Period 10 Topic :** Forms of business organizations and features of an ideal form.

Hints: Introduce the students with the various forms of business organizations. Start with various sectors such as Private, Public & Joint Sector. Tell them that Public sector & Joint sector will be taken up in subsequent classes. Discuss the components of private sector such as, sole proprietorship, Joint Hindu Family business, Partnership, Joint Stock Company, Cooperative Societies.

Then discuss the following features which make an ideal form.

1. Ease of formation
2. Adequate finance
3. Limited liability
4. Transferability of interest
5. Efficient management
6. Continuity and stability
7. Flexibility of operation
8. Minimum government control
9. Retention of business secrets
10. Low tax burden etc.,

**Period 11. Topic :** Meaning and Features of Sole proprietorship

Hints: It is the most natural, oldest and simplest form of business organization usually adopted by persons in search of livelihood. Explain its meaning and features.

**Period 12. Topic:** Importance limitations and suitability of sole proprietorship

Hints: Discuss the advantages and disadvantages of sole proprietorship. Wallian R. Basset has said "the one-man control is the best in the world if that man is big enough to manage everything". But we know the physical, mental and financial limitations of a person. So discuss the suitability of this form on the back ground of Basset's Statement.

**Period 13. Topic :** Revision of Sole proprietorship

**Period 14. Topic :** Meaning, Definition and Characteristics of partnership

Hints: We have already discussed in the previous period that a sole proprietor, being a single person, is physically, mentally and financially limited. We also know that growth is life and stagnation is death. So if the sole proprietor seeks assistance from other person(s) to expand his business, involvement with same devotion can only be elicited if the other person(s) is/are associated as owner of the business not an employee. Hence the Partnership.

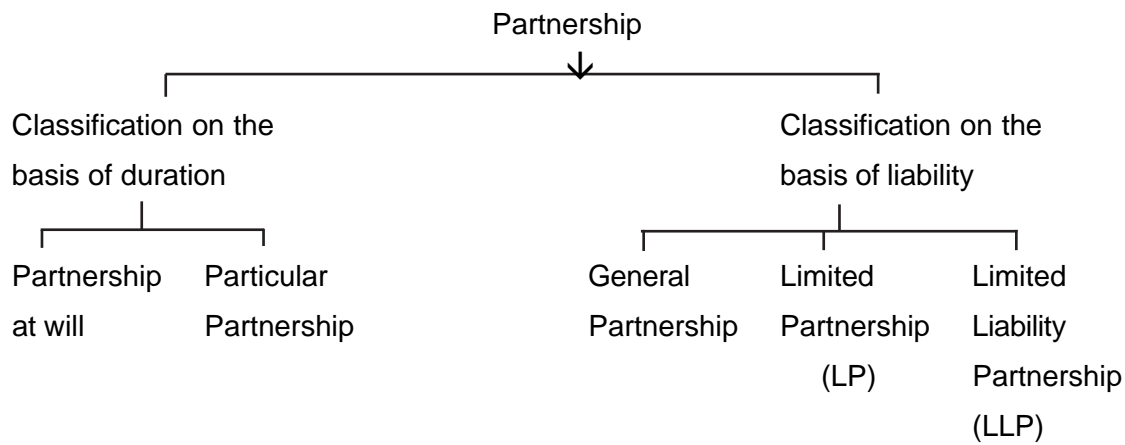
Discuss the meaning, definition and characteristics of the partnership.

**Period 15 Topic :** Importance and limitations of partnership.

Hints : Discuss the points given in the base book

**Period 16. Topic :** Types of partnership and partners

Hints : Discuss the types of partnership as per the following chart



LLP - Limited liability partnership : Liability of all partners (most of the partners) depending upon jurisdiction is limited. It is different from Limited partnership because a limited partner of LP has no voting rights and cannot take part in management of the business but a partner in LLP can take part in the management of the business. He is not liable for the negligence or malpractice claims made against other partners. But creditors can reach the personal assets of risk taking partner.

Discuss the kinds of partners as given in the base book

**Period 17. Topic :** Rights, duties and liabilities of partner

Hints : Discuss the rights, duties a liabilities given in the base book

**Period 18. Topic :** Partnership Deed, Registration of Partnership and consequences of non-registration.

Hints : 1. Discuss the meaning of Partnership Deed

2. Contents of Partnership deed

3. Procedure of Registration – The information to be submitted along with the application

4. Effect of non-registration.

**Period 19. Topic :** Comparison between partnership of Sole proprietorship

Hints : Discuss the differences on the basis of points provided in the base book

**Period 20.** Discuss the difference between general partnership & limited partnership

Revision of Partnership

**Period 21 :** Revision of the entire unit and clarification of doubts

**Period 22:** UNIT TEST AND EVALUATION.

## Unit – II

**Period 1. Topic : Meaning, Definition and Characteristics of a Company.**

Hints: Just as partnership came into existence to overcome the limitations of Sole proprietorship in meeting the challenges of changing business scenario, similarly a company form of business organization was created to overcome the limitations of partnership. Industrial revolution of eighteenth century led to mechanization of production process which in turn led to production in large scale. This required investment of huge capital and professional managers to look after the complex affairs of the business. Due to unlimited liability of sole trading and partnership business it was difficult to expect rich and capable persons to come forward to contribute to the capital of the business. Owner oriented management was limited to the managerial acumen of the owner only. Stability of business depended upon the sweet

will of the owner(s). Thus, to overcome these limitations the company form of business was evolved. It is a voluntary association of persons, having separate distinct legal entity, perpetual succession, common seal, capital divided into transferable shares with limited liability of shareholder and registered under Companies Act.

Explain the meaning, cite popular definitions and discuss the characteristics.

**Period 2. Topic :** Merits and limitation of Company

Hints: Though the company form of business organization overcomes the drawbacks of sole proprietorship and partnership form of business organizations it itself is not immune to flaws. It is also a fact that in spite of its defects it is the appropriate form of Business organisation and day by day growing in importance for large sized business requiring huge investment and professional management. It is because of the fact that most of the defects, that we find with it are due to the people at helm not with the system.

With the above in mind discuss the merits and demerits of a company form as explained in the base book.

**Period 3. Topic :** Distinguish between company and partnership

Hints : Discuss as per the base book

**Period 4. Topic:** Types of Companies

Hints: Discuss the types of companies from the following view points : -

- a) On the basis of mode of incorporation
  - (i) Chartered Companies      ii) Statutory Companies      iii) Registered Companies
- b) On the basis of liability
  - (i) Companies limited by share      ii) Companies limited by guarantee
  - iii) Companies with unlimited liability
- c) On the basis of nationality
  - i) Indian Companies      ii) Foreign Companies      iii) Multinational Companies
- d) On the basis of control
  - i) Holding Companies      ii) Subsidiary Companies      iii) Government Companies
- e) On the basis of transferability of shares
  - i) Public Companies      ii) Private Companies

Take the help of the base book to explain the above types

**Period 5. Topic:** Difference between Public & Private Companies

Hints : Differentiate on following parameters.

1. Minimum & Maximum number of members
2. Minimum number of Directors
3. Public invitation for capital and deposits
4. Commencement of Business
5. Prospectus
6. Allotment of shares
7. Use of the word "Private" in the name
8. Transfer of shares
9. Share warrants



10. Further issue of shares
11. Qualification shares of directors
12. Retirement of Directors
13. Statutory meeting
14. Quorum for meeting
15. Managerial Remuneration
16. Loan to Directors
17. Index of members
18. Minimum paid up capital
19. Articles of Association
20. Annual Accounts
21. Business Secrecy
22. Scope for expansion

**Period 6. Topic:** Process of Formation of a Company and Stages of Promotion

Hints : Process of formation – 1. Promotion                      2. Registration and incorporation  
 3. Capital subscription or raising of capital                      4. Commencement of Business

Promotion – Meaning, Definition and Stages.

Stages of Promotion – Discovery of idea, Preliminary investigation, Detailed investigation, Assembling, Financing

**Period 7 Topic :** Incorporation & Commencement of Business

Hint: 1. Incorporation Process : -

- a) Preparatory steps              b) Filing of application along with important documents
2. Commencement of Business
- a) Capital subscription              b) Filing of application with required documents

**Period 8 Topic :** Memorandum of Association

Hints: (1) Meaning, Def, Characteristics, Importance, Forms and Contents

Contents – Name Clause, Situation clause, Object clause, Liability clause, Capital clause, Association clause

(2) Alteration of Memorandum of Association.

**Period 9 Topic :** Articles of Association

Hints : 1. Meaning, Definition, Features, Form and Contents

2. Alteration of Articles of Association

**Period 10. Topic :** Difference between Memorandum of Association and Article of Association

Hints: Distinguish under following heads

- a) Purpose    b) Contents    c) Importance / Status    d) Relationship    e) Incorporation    f) Alteration
- g) Doctrine of Ultra virus

**Period 11:** Revision of Company form of Business

**Period 12 Topic :** Meaning , Definition and Characteristics of co-operative organization.

Hints: Explain the meaning & Definition and discuss the following characteristics

- a) Voluntary Association    b) Service motive    c) Capital    d) Distribution of surplus
- e) Separate legal entity    f) Democratic Management and one man one vote    g) Cash Trading
- h) Limited liability    i) State Control

**Period 13. Topic :** Types of Co-operatives

Hints : Discuss the following types

- a) Consumers' Co-operatives    b) Procedures Cooperatives    c) Marketing Co-operatives
- d) Co-operative Credit Societies    e) Co-operative farming Societies    f) Cooperative Housing Societies

**Period 14 Topic:** Advantages Disadvantages of Cooperative Organizations

Hints: Advantages:-

- a) Easy formation    b) Democratic Management    c) Ploughing back of Profit    d) Elimination of Middlemen
- e) Saving in Expenses    f) Limited liability    g) Continuity    h) Mutual Benefit
- i) Reducing inequality    j) tax advantages    k) State assistance

**Disadvantages: -**

- a) Limited Capital    b) Lack of Managerial talent    c) Excessive government control    d) Lack of Secrecy
- e) Lack of motivation    f) Lack of Public Confidence    g) Misuse of fund    H) Cash trading
- i) Rift among members

**Period 15:** Revision of Cooperative Society

**Period 16:** Topic: Meaning, Definition and Features of Public Enterprises

Hints: Start with objective behind creation of public enterprises, State the meaning, definition and discuss the following features: -

- a) State ownership    b) State control    c) Government financing    d) Service motive
- e) Public Accountability    f) Strategic sectors    g) Harmonious industrial relations
- h) Bureaucracy in Management    i) Monopolistic enterprises

**Period 17 Topic:** Meaning, features and forms of Private Enterprises

Hints: (1) State the meaning and (2) Forms -

- a) Sole proprietorship    b) Joint Hindu family business    c) Partnership    d) Joint ventures    e) Joint Stock Company
- f) Cooperative Organization

(3) Discuss the following features : -

- a) Profit motive    b) Private Ownership    c) Profit as a criteria for success    d) Private management
- e) Less political intervention etc,

**Period 18 Topic :** Difference between Public & Private Enterprises

Hints: Before distinguishing between Public and Private Enterprises students should be told not to confuse between Public Enterprises and Public Companies.

Then discuss the difference between Public and Private Enterprises on the following points:

- a) Objective    b) Ownership    c) Forms of Organizations    d) Source of finance    e) Evidence of success
- f) Personal risk    g) Autonomy    h) Area of operation    i) Political intervention    j) Management
- k) Accountability    l) Employees

**Period 19 Topic :** Changing Role of Public Sector

Hints: It is a fact that intention behind government's intervention in business sector through public enterprises, except a few cases, has not been achieved as expected. After the new economic policy 1991, which emphasized liberalization, Privatization and globalization there has been a perceptible change in the Public Sector. This changing role can be discussed on the following points:

- a) Reduction in the number of industries reserved for public sector
- b) Disinvestment and privatization of public enterprises
- c) Implementation of the concept of Memorandum of understanding (MOU)
- d) Revival of Sick units through the “Board for Industrial and Financial Reconstruction” (BIFR)
- e) Provision of National Renewal Fund etc.,

**Period 20 Topic :** Forms of Public Enterprises

Hints : Discuss the meaning, features, objectives, advantages and disadvantages of Departmental undertaking, Statutory Corporations, Government Companies.

**Period 21 Topic :** Comparative Study of various form of Public Enterprises

Hints : Discuss the differences on the basis of following points.

- a) Formation b) Legal Status c) Ownership d) Sources of finance e) Management and Control f) Status of employees g) Accountability h) Autonomy i) Suitability j) Examples

**Period 22 Topic :** Global Enterprises

Hints : Explain the meaning and discuss the following features:-

- a) Huge Capital Resources b) Foreign Collaboration c) Advanced Technology d) Innovation e) Marketing Strategies f) Territorial Expansion g) Centralized control

**Period 23 Topic :** Joint Venture

Hints: Meaning – Joint venture is a business entity created by two or more parties either individuals or private, government owned or foreign enterprises, generally characterized by shared ownership, shared returns and risks, shared governance for achieving a common objective and for mutual benefit of parties.

Characteristics: -

1. It is an association of persons, may be individual or private, government owned or foreign enterprises.
2. The association is brought about by a Memorandum of Understanding (MOU), thoroughly negotiated to avoid any legal complications at a later stage. It mentions inter alia the proportion of ownership, share in the returns and risk and role in the governance of the Joint venture
3. It is formed to achieve a common objective
4. It is for mutual benefit of parties
5. It may be incorporated as a company or work as a quasi partnership or particular partnership
6. It obtains necessary approval from government and required licenses if involves foreign companies

Process of Formation :

1. Defining business strategies
2. Determining whether a joint venture is right vehicle in this regard it can be mentioned that it is appropriate.
  - a. When focused on combining complementary capabilities, sharing risks.
  - b. Where an out right merger and Acquisition transaction is not possible or premium involved in an acquisition can not be recovered via a operating synergies.
  - c. When simpler vehicles such as contractual agreements are not sufficient.
  - d. When go it alone is too risky.
3. Screening Partners

4. Developing the Joint Venture deal concept
5. Negotiating detailed terms and conditions
6. Planning and launching the Joint venture. It may take any of the following forms
  - a. By transferring Business to New Company. In this case a parties to the JV incorporate a new company. One party transfers its business to the new company and in consideration there of shares of new company are issued to transferring party. The other party has to subscribe to the shares of the new company in cash.
  - b. By subscribing to the shares of the New Business – In this case, parties to the JV form a new company and subscribe to the shares of that new company in agreed ratio.
  - c. By collaboration of promoters of an existing Indian Company and another party – In this case the promoter share holders of an existing Company join hands with another party, which may be an individual or company to carry out the business of that company. The other party resident or non resident, takes shares of that company.
7. Evolving or terminating the Joint Venture

**Benefits :**

1. Increased Resources and capacity to face challengers of market take advantage of new opportunities, grow and expand.
2. Access to New markets and distribution networks, particularly of emerging markets.
3. Access to advanced technologies of the world
4. Access to world class skills and capabilities
5. Reap the benefit of large scale by combining assets and operations
6. Share the risks of major investment projects

**Period 24 Topic : Public Private Partnership (PPP)**

Hints : Public Private Partnership (PPP) as we know it today took shape in USA in the form of “Contracting out initiatives” in 1970. China, Thailand, Malaysia resorted to it in mid 1980. It gained momentum in most of the countries of the world including India in early 1990

PPP refers to the involvement of Private Sector in the government projects aimed at Public benefit such as transport (Roads, Railways, Ports, Airports) Education (School, Colleges, Universities), Health care (Hospitals) Waste Management (Collection and waste – to- energy plants), Water (collection, treatment and distribution), Urban Infrastructure, Power, Tourism etc.,

Though PPP mode, Public Sector instead of being the Sole financier, creator and operator / manager of these infrastructure projects reduces its role to be the facilitator and regulator. By roping in Private Sector it overcomes the lack of enthusiasm and callousness in delivery of these services by public sector in one hand and reaps the benefits of timely completion of project, competition, innovative operation and maintenance methods, reduction and stabilization of costs of providing services on the other. Above all it gets access to private capital for infrastructure investment which in turn reduces pressure on government budgets.

The ultimate aim is to ensure best value for money (VFM) to the beneficiary. Discuss the characteristics, forms, merits and limitations.

**Period 25 Topic: Choice of the Form of Organization for Business**

Hints: Discuss on the following points

1. Nature of Business
2. Size and area of operation
3. Degree of control desired

4. Amount of capital required
5. Degree of risk involved
6. Division of surplus
7. Duration of Business
8. Government regulation & control
9. Flexibility of operations

**Period 26:** Revision of Public & Private Sector Enterprise

**Period 27:** Revision of entire Unit – II

**Period 28:** Unit Test & Evaluation

### Unit – III

**Period 1 Topic :** Meaning and Characteristics of Wholesalers

Hints :

1. Tell about channels of distribution and place of wholesaler in it
2. Explain the meaning of the wholesaler
3. Cite some definitions and explain them
4. Discuss the characteristics features of wholesalers

**Period 2 Topic:** Functions & Types of a Wholesaler

Hints: 1. Functions – a) Assembling b) Warehousing or storage c) Dispersion  
d) Transportation e) Financing f) Risk bearing g) Grading and packing h) Pricing

2. Types - a) Manufacturer wholesaler b) Retailer wholesaler c) Merchant wholesaler -  
i) General Merchandise wholesaler ii) Single line wholesaler iii) Specialized wholesaler

**Period 3 Topic:** Services of a wholesaler to producer, retailer and customers

Hints : Services to Producer –

1. Economies of large scale
2. Assistance in distribution
3. Warehousing facility
4. Forecasting of demand
5. Publicity of goods
6. Financial assistance
7. Bearing Risk
8. Regular Production
9. Link

Services to Retailer –

1. Convenience in buying
2. Credit facility
3. Regular supplies
4. Publicity
5. Price stability

6. Introduction of new product
7. Risk bearing
8. Economy in transportation
9. Advice to retailers

Services to Customer –

1. Ready supply
2. Removal of consumer complaints
3. Low price
4. Knowledge
5. Selection facility
6. Benefit of Market Research

**Period 4** Revision of wholesaler

**Period 5 Topic** : Meaning, Characteristics & Function of a Retailer

Hints:

1. Explain the meaning and cite some definitions of Retailer
2. Discuss the characteristics features
3. Deliberate upon the flowing functions of Retailer
- a) Buying b) Storage c) Selling d) Grading and packing e) Risk-bearing f) Transportation

**Period 6 Topic:** Services of retailer to wholesaler and consumer

Hints: Services to wholesaler –

1. Help in distribution
2. Provide market information
3. Sales promotion
4. Personal selling
5. Facilitate large scale production

Services to Consumer –

1. Convenience in buying
2. Wide Choice
3. New Product information
4. Personal services
5. Regular supply
6. Credit facility

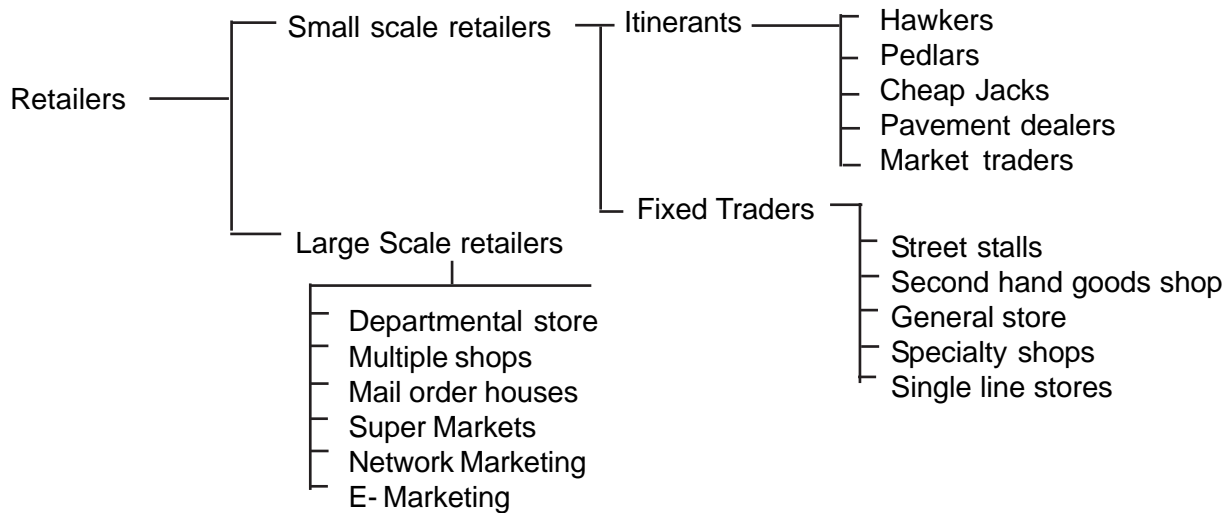
**Period 7 Topic:** Distinction between wholesaler and Retailer

Hints: Discuss the difference on the basis of following points.

1. Link 2. Scale of business 3. Range of products 4. Capital required 5. Location 6. Dealing in cash or credit 7. Profit margin 8. Volume of stock 9. Purpose of sale 10. Display of goods & storage

**Period 8 Topic** : Type of Retailers, Small scale retailers

Hints : 1. Give the Chart



2. Discuss the small scale retailer

**Period 9:** Revision of Small Scale Retailer

**Period 10 Topic :** Departmental Store – Meaning, Definition, Characteristics

Advantages & disadvantages

Hints:

1. Explain the meaning, definition and characteristics of departmental store
2. Discuss the following advantages and disadvantages

Advantages : a) Convenience in shopping b) Wide choice c) Economies of large scale d) Central location e) Service element f) Economy in advertising g) efficient Management h) Sales Promotion

Disadvantages - a) High cost of operation b) Higher prices c) Distance d) lack of personal touch e) Huge capital f) Lack of Credit facility g) Social discrimination h) high risk

**Period 11 Topic:** - Multiple shops – Meaning, Definition, Features, advantages & disadvantages.

Hints: 1. Explain the meaning, Cite definition, discuss the features

2. Discuss the following advantages & disadvantages

Advantages :- a) Low cost b) Fixed and single price c) Economies of scale d) Diffusion of risk e) Large turnover f) No bad debts g) Elimination of middlemen h) Flexibility i) Convenience in shopping j) Public Confidence k) Effective supervision and control

Disadvantages :- a) Limited choice b) No credit sales c) Huge capital d) Lack of personal touch e) Lack of initiative f) No home delivery g) Difficulty in coordination h) Heavy loss due to change in Demand i) Monopoly in long – run

**Period 12 Topic :** Mail Order Business – Meaning, Definition, Characteristics, Advantages and Disadvantages

Hints: 1. Explain the meaning and definition, discuss the characteristics.

- 2 Discuss the following advantages and disadvantages

Advantages – a) Low cost b) Convenience in shopping c) Wider market d) Small investment e) No bad debts f) Elimination of middlemen g) No need of godowns

Disadvantages – a) Lack of personal contact b) Absence of prior inspection c) No credit d) Limited scope e) Delay and expense f) Scope for misuse g) More advertisement expenses

**Period 13 Topic** – Super market – Meaning, Definition, characteristics, merits and demerits

Hints : 1. Explain the meaning , give definition and discuss the characteristics

2 discuss the following advantages and disadvantages

Advantages – a) Low operating expenses b) Freedom of choice c) Convenience in shopping  
d) Economies of large scale e) Central location f) No bad debts g) Efficient management  
h) Mutual advertising i) Customers Confidence j) One roof – Low cost

Disadvantages – a) Huge investment b) Large building c) Lack of personal touch d) No credit facility  
e) Wastage due to mishandling f) Not suitable for some goods

**Period 14 Topic** : Network marketing – Meaning, Features, advantages and disadvantages

Hints : - Advantages – a) Unlimited income for distributor b) Motivational values c) Flexible working hours  
d) Economical e) Low overhead expenses f) Easy and quick access to new markets

Disadvantages : - a) Non achievement of targets b) No after sales service c) No Credit facility  
d) Possibility of abuse e) In absence of advertising brand building is not possible f) Sales forecast being difficult  
problems of overstocking or under stocking may arise

**Period 15 Topic** – E-Marketing – Meaning, features, advantages and disadvantage

Advantages – a) Timeliness Approach b) Cheaper and faster c) Wide range d) Convenient

Disadvantages – a) Blocking up of payment b) Loss of information c) Difficulty in changing of product  
d) Delayed delivery

**Period 16:** Revision of Retailer

**Period 17:** Revision of the entire Unit

**Period 18:** Unit Test

## Unit – IV

**Period 1 Topic** – International Trade – Meaning & Nature

Hints : 1. Explain the meaning & types of international trade

2. Nature – a) Territorial specialization b) International competition c) Separation of Sellers from buyers  
d) Long chain of middlemen e) Mutually acceptable currency (foreign currency)  
f) International rules and regulations g) Government control h) Requirement of several documents  
i) High risk j) Language difference

**Period 2 Topic** – Importance and disadvantages of International trade.

Hints: 1) Importance / advantages - a) Geographical specialization b) Optimum use of resources  
c) Economic development d) Economies of scale e) Generation of employment  
f) Higher standard of living g) Earning of foreign exchange h) Price equalization i) Security from famine  
j) Way out to intense competition in Domestic Market k) International brotherhood  
e) Development of transportation and communication.

### 2. Disadvantages / Problems / Complexities

a) Economic dependence b) Restricted growth of home industry c) Misuse of natural resources  
d) Political exploitation e) Import of harmful goods f) Rivalry among nations  
g) Invasion of culture h) Language difference i) More risk j) Government control k) Difficulty in payment  
l) Lack of information about foreign trader m) Time lag n) Restrictions

**Period 3 Topic** : Difference between Internal and International Trade

Hints : Distinguish on the basis of following parameters



1. Geographical limits
2. Mode of transportation
3. Choice
4. Currency used
5. Mode of payment
6. License
7. Laws and control
8. Nationality of buyer & seller
9. Nationality of other stakeholders
10. Language used in communication
11. Documents used
12. Risk involved
13. Middlemen
14. Customer heterogeneity across market
15. Difference in business systems and practices etc.,

**Period 4 Topic:** Export Procedure

Hints : 1. Meaning, objective of Export Trade

2 Export procedure – Discuss the following steps with documents involved

- a. Receipt of Enquiring and sending quotation
- b. Receipt of order / indent and sending confirmation
- c. Assessing importers credit Worthiness and securing Letter of Credit
- d. Obtaining Export license
- e. Obtaining pre-shipment finance
- f. Production or Procurement of Goods
- g. Pre-shipment Inspection
- h. Excise clearance
- i. Obtaining certificate of Origin
- j. Reservation of shipping space
- k. Packing and forwarding
- l. Insurance of Goods
- m. Customs clearance
- n. Obtaining mate's receipts
- o. Payment of Freight and Issuance of Bill of lading
- p. Preparation of invoice
- q. Securing payment

**Period 5 Topic – Documents involved in the Export Trade**

Hints: - Discuss the following documents

1. Indent
2. Letter of Credit

3. Registration – cum – membership certificate
4. Shipping Order
5. Shipping bill
6. Mate's receipt
7. Bill of lading
8. Certificate of Origin
9. Consular invoice
10. Documentary bills of Exchange (D/A or D/P)
11. Dock Receipt or Dock Challan
12. Marine Insurance Policy
13. Export Invoice

**Period 6 Topic – Import Procedure**

Hints: 1. Meaning and objectives of Import Trade

2. Import Procedure Discuss the following steps with documents involved

- a. Obtaining import license
- b. Making Trade Enquiring and Receiving Quotation / Proforma invoice
- c. Obtaining Foreign Exchange
- d. Placing Order a Indent
- e. Obtaining letter of credit
- f. Receiving Shipping Documents – Shipping advice and Import documents
- g. Arrival of goods
- h. Customs clearance and Release of goods
- i. Making payment

**Period 7 Topic – Documents used in Import Trade**

Hints : discuss the following documents

1. Import license
2. Indent
3. Letter of Credit
4. Documentary Bill of Exchange (D/A or D/P)
5. Bill of Entry
6. Bill of sight
7. Port Trust Dues Receipt
8. Application of Import
9. Advice Note
10. Bill of lading
11. Insurance Policy

**Period 8: Revision of International Trade**

**Period 9: Revision of International Trade – Export Procedure**

**Period 10: Revision of International Trade – Import Procedure**

**Period 11 Topic :** Ware housing – Meaning, Features of an ideal warehouse

Hints : 1. Explain the meaning of ware housing and ware house

2. Features of an ideal warehouse

- i. Proper location
- ii. Safety
- iii. Proper supervision of goods
- iv. Economy
- v. Nearness to transport
- vi. Early approach
- vii. Control
- viii. Sufficient space

**Period 12 Topic –** Need and Functions of Warehousing

Hints: Discuss the following functions

1. Creation of Time utility
2. Equilibrium in Demand & Supply
3. Financial help
4. Storing perishable good
5. Storage of Raw material
6. Storage of Finished goods
7. Stability in Prices
8. Helpful in late payment of Import Duty
9. Consolidation
10. Break the bulk
11. Value added services

**Period 13 Topic :** Types of warehouse and documents and in warehousing

Hints: discuss the following types of warehouses

1. Government warehouses
2. Private Warehouses
3. Public Warehouses
4. Cooperative Warehouses
5. Bonded warehouse

**Period 14:** Revision of Warehousing

**Period 15 Topic –** Transportation – Meaning , Need & Importance

Hints: 1. State the meaning and definition

2 Discussion the importance on following heads

- a) Economic benefits   b) Social benefits   c) Political benefits
- a   Economic benefits : -
  - I. Extensive market
  - II. Mobility of labour and capital

- III. Basis of large scale production
- IV. Boon to industries producing highly perishable goods
- V. Stability in Prices
- VI. Incentive to localization of Industry
- VII. Benefit to consumers
- VIII. Employment opportunity
- IX. Discouragement of monopoly
- X. Development of Agriculture
- XI. Industrial development
- XII. Increase in national wealth
- XIII. Fosters tourism

**b. Social Benefits –**

- i. Discovery of new land
- ii. Diffusion of population
- iii. High Standard of living
- iv. Cultural assimilation
- v. Helpful in Emergency situations
- vi. Availability of quick information

**c. Political Benefits : -**

- i. National Defence
- ii. Political awakening
- iii. National unity, integration and peace
- iv. International Relations

**Period 16 Topic : Road Transport – Meaning, Advantages & Disadvantages**

Hints : Advantages –

- 1. Less Capital outlay
- 2. Door – to door service
- 3. Flexibility
- 4. Service in rural areas
- 5. Suitable for short distance
- 6. Lesser Risk of Damage in transit
- 7. Saving in packing cost
- 8. Saving of time
- 9. Less cost
- 10. Private owned vehicles
- 11. Feeder to other modes

Disadvantages: -

- 1. Accidents and breakdowns
- 2. Not suitable for long distances

3. Not suitable for bulky goods
4. Seasonal difficulties
5. Less speed

**Period 17 Topic:-** Rail Transport – Meaning, Advantages and Disadvantages

Hints : Advantages : -

1. Suitable for heavy goods
2. More capacity
3. Safety
4. Dependable
5. High speed
6. No climatic problem
7. Employment generation

Disadvantage: -

1. More Capital requirement
2. Lack of Flexibility
3. Monopoly
4. Booking formalities
5. Unsuitable for short distances and small loads

**Period 18 Topic :-** Water Transport – Meaning, types, advantages & disadvantages

Hints: 1. Discuss both – Inland water transport and Ocean Transport

2 Advantages :-

- a. Larger carrying capacity
- b. Suitable for heavy goods
- c. Indispensable to foreign trade
- d. Requires less capital
- e. Safety
- f. No need of special routes

3. Disadvantages: -

- a. Less speed
- b. More seasonal effects
- c. Not suitable for small business
- d. More risk from pirates and sea storms
- e. Limit of routes

**Period 19 Topic :** Air Transport – Meaning, Advantages & Disadvantages

Hints: Advantages :-

1. High speed
2. Comfortable and quick service
3. Facility of free routes
4. Short routes

5. Suitable for perishable goods
6. Helpful in war
7. Helpful in emergency
8. Accessible to difficult terrain

Disadvantages : -

1. Very costly
2. Small carrying capacity
3. Uncertain and unreliable
4. Huge investment
5. Unsuitable for heavy goods
6. More accidental loss

**Period 20 Topic :** Choice of suitable mode of Transport

Hints: discuss on the following points

1. Time factor
2. Distance between buyer & seller
3. Quantity & Size of goods
4. Safety factor
5. Cost factor
6. Buyers preference
7. Nature of goods
8. Availability of mode of transport
9. Regularity

**Period 21:** Revision of Transport

**Period 22:** Revision of Unit IV

**Period 23:** Unit Test & Evaluation

## Accountancy LESSON PLAN

Units	Period	Topics to be covered in the period	Date on which taken	Signature of the teacher	Remarks
I		Introduction to Accounting			
	1.	Evolution of Accounting and need for accounting			
	2.	Meaning , Definition and Characteristics of Book Keeping , Objects of Book Keeping			
	3.	Meaning , Definition and Characteristics of Accounting			
	4.	Relation between Book-keeping , Accounting and Accountancy			
	5.	Accounting as a Language of business, its objective			
	6.	Advantages & Limitation			
	7.	Accounting as an information system			
	8.	Branches of Accounting and Accounting Cycle			
	9.	Accounting Principles (GAAP)			
	10.	Concept of Accounting and its objective			
	11.	Convention of Accounting			
	12.	Accounting standards			
	13.	Terms used in Accounting such as Event, Transaction & Voucher			
	14.	Other term in Accounting such as debtor, creditor , Purchase, Sale etc.			
	15.	Accounting Equation, meaning and preparation			
	16.	System of Record Keeping i.e Double entry System			
	17.	Single entry system, Distinction between single entry & double entry			
	18.	Cash basis of Accounting			
	19.	Accrual basis of Accounting			
	20.	Classification of Accounts			
	21.	Rule of Debit on Credit according to British approach and American Approach			

II	Journal Ledger and Tribal Balance				
	1.	Meaning, Features and Format of Journal			
	2.	Steps involving in journalising			
	3.	Advantages and dis-advantages of Journal			
	4.	Roles of Journalising			
	5.	Solution of Problem			
	6.	Passing journal entries			
	7.	Meaning and Format of Ledger			
	8.	Rules of Posting and Balancing Ledger account			
	9.	Cash Book- Classification of cash book and proforma of different types of cash book			
	10.	Meaning and Proforma of Triple column cash book			
	11.	Solution of Problem on Triple column cash book			
	12.	Purchase Book, Sources of data for purchase book and its proforma			
	13.	Sales Book, sources of data for sales book and its proforma			
	14.	Distinction between purchase book and sales book and purchase account and purchase book			
	15.	Brief explanation of returns book and specimen of Debit note and Credit note			
	16.	Tribal Balance – Meaning , Definition and objective of Tribal Balance			
	17.	Advantages and limitations of Tribal Balance			
	18.	Methods of Preparing Tribal Balance			
	19.	Format of Tribal Balance and Solution of Problem based on Tribal balance as an illustration			
	20.	Correction of incorrect Tribal Balance			
	21.	Doubt clearing class			
	22.	Conduct of Examination framing questions on this unit and accessing the performance of the students			



<b>III</b>	1.	Meaning, Definition, Characteristics and parties to a bill of exchange			
	2.	Draw a specimen of Bill of exchange, Explain its features and show them the name of Drawer and Drawee			
	3.	Drawing of specimen of promissory note, features and parties to a promising note			
	4.	Distinction between Bills of Exchange and promising note			
	5.	Important terms of Bills of Exchange			
	6.	Days of Grace, Nominal due date and legal due date calculation			
	7.	Treatment of Bills			
	8.	Solution of Problem based on retained bill and discounted bill with the bank by the drawer			
	9.	Frame question for solution by passing journal entries			
	10.	Dishonour of Bill, Passing journal entries in the books of the drawer when the bill is retained, when it is discounted, endorsed or sent to Bank for collection			
	11.	Nothing charges – meaning & passing journal entries for the same in the books for drawer and drawee.			
	12.	Renewal of Bill			
	13.	Retirement of Bill			
	14.	Accommodation Bill, its arrangement to accommodate drawer only to accommodate both the parties by drawing a single bill, to accommodate both parties by drawing two bills on each others.			
	15.	Solution of Problem based on accommodation			
	16.	Meaning, Definition and Function of Computer			
	17.	Modern computerised accounting system and its basic requirements			
	18.	Functions of Computerised Accounting system.			
	19.	Need and advantages of computerised Accounting			
	20.	Meaning, Purpose and reliability of Accounting Information system.			

<b>IV</b>	1.	Meaning of error and causes of Accounting Error			
	2.	Types of Error			
	3.	Errors disclosed by the Tribal Balance			
	4.	Errors not disclosed by the Tribal Balance			
	5.	Rectification of error after preparation of Tribal Balance & final account.			
	6.	Rectification of error before preparation of Tribal Balance & final account.			
	7.	Rectification of two sided errors			
	8.	Solution of two sided error problems			
	9.	Meaning and uses of suspense account			
	10.	Effect of Error on Profit and loss Account and Balance Sheet			
	11.	Solution of Problem and Preparation of suspense account			
	12.	Meaning and Need of preparing Bank Reconciliation statement			
	13.	Causes of difference between cash book and pass book balance and steps in preparation of Bank Reconciliation Statement.			
	14.	Preparation of Bank Reconciliation statement starting with cash book balance			
	15.	Preparation of Bank Reconciliation statement starting with overdraft as per cash book			
	16.	Solve problem starting with credit balance (over draft ) as per cash book			
	17.	Preparation of Bank reconciliation statements starting with pass book balance			
	18.	Solution of Problem taking balance as per pass book			
	19.	Bank reconciliation statement taking over draft or debit balance as per pass book			
	20.	'+' and '-' column method of solving Bank Reconciliation statements			
	21.	Solution of Bank Reconciliation Problem under both the methods i.e addition , subtraction and '+' and '-' column method.			
	22.	Doubt clearing class on this unit			
	23.	Conduct of Examination and review the performance of the students.			

# PERIOD PLANNING

1. Calculation of Periods available in the entire session and record of periods actually taken

Month	Jun	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Total
Periods available													
Periods actually taken													

N.B: (a) Fill up the “Periods available” row taking help of “Holiday List” and “College Time Table”

(b) “Periods Actually Taken” row shall be filled up after the respective month is over. This will help in conforming to the plan in the long run.

2. Compare the periods available in the session as reflected in the above table with periods required to complete the course as per the “lesson plan”.

3. Plan

- i. Plan for extra classes if periods available fall short of periods required.
- ii. If periods available is more than periods required to complete the course, then plan how to utilize them fruitfully (Separate Coaching for weak and gifted students ).
- iii. Write down your plan in the following space.

Plan -

4. Signature of the Teacher.....

5. Signature of the head of the Institution.....

**UNIT-I**  
**+2 1<sup>st</sup> Year Commerce,**  
**Accountancy, 1<sup>st</sup> Elective**  
**(Paper-I)**

**Introduction to Accounting:**

1. **Evolution of Accounting:** - The development of accounting took place slowly over centuries to fulfil the socio-economic needs of the society. The development in trade and commerce has been responsible for the growing importance of a methodical accounting work. Luca Pacioli was a great philosopher of Italy. His book is the first printed book on double entry system. Pacioli used the term 'debito' (owed to) and credit (owed by); these come from the Latin words debtor and creditor. The system he published included mostly of accounting cycle as we know it today.

**Need for Accounting:** - In 19<sup>th</sup> century, the need for big business houses with large capital base arose. The requirement of huge capital resources necessitated the involvement of 'limited liability' companies. In big business the ownership and management are separated. This created the need for regular and detailed reports concerning operating results and financial condition of the enterprises.

2. **Meaning, Definition and Characteristics of Book Keeping :** Book keeping is a specialised knowledge which tells us how to keep a record of financial transactions. Book keeping records are submitted to various government agencies like Income Tax, GST may be for state analysing the definition given by different authorities the following characteristics emerge.

- Book keeping is a fundamental accounting activity for recording business transactions.
- Every transaction is properly analysed for future recording.
- The transaction must relate to money or money's worth etc.

Objects of Book keeping: - To ascertain the effect of all transactions on the financial position of the business and its source of profit and loss.

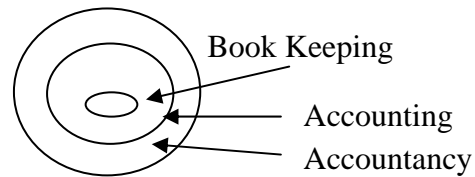
3. **Meaning, Definition and Characteristics of Accounting.** Accounting is a broader term than book-keeping. It is concerned with preparation of final accounts; interpreting the result and communicating the final result to the interested parties.

Characteristics of Accounting:

- It is an Art
- It classifies business transactions
- It summarises the financial transactions
- It records monetary transactions and events
- It interprets the result thereof
- It supplies information to interested parties

4. **Relationship between book-keeping, Accounting and Accountancy to know the relationship between Book-Keeping and Accounting, it is better to distinguish between**

them. Book-keeping is a sub-set of set accounting and accounting is a sub-set of set accountancy. It can be shown in a ven-diagram as follows



5. Accounting as a language of business its objective. Accounting reduces the mass data into meaning full information in form of report and statements that portray the financial condition and result of depreciation of that enterprise. Hence, it is regarded as language of business .objective should be discussed.
6. It's advantage & limitation should be explained in detail.
7. Accounting as an information system : Accounting provides information such as the financial result as well as financial position of the business to different interested parties. Internal parties include employees, management etc where an external parties are debtors, creditors, Government, Income tax deptt etc.
8. Parameters of Accounting and Accounting Cycle: To meet the changing requirements of the business branches of accountants have discovered various specialised branches of accounting . The important branches of accountancy are as follows.(1) Financial Accounting (2) Cost Accounting (3) Management Accounting (4) Social Responsibility Accounting. The procedure used to record, classify and summarise the business transactions in order to judge the performance of the business is termed as accounting cycle. It starts with identification of monetary transactions and ends with preparation of financial statements.
9. Accounting Principles (GAAP) –  
In Order to make the financial statements more meaningful acceptable , comparable, consistent, reliable and unbiased . It is necessary that a uniform system of accounting based on Generally Accepted Accounting Principles (GAPP) is followed Define accounting principles. Explain basic features of accounting principles.
10. Concept of Accounting & its objectives- **Concept** is a logical consideration and a notion which is generally and widely accepted. It helps in the selection of accounting methods appropriate in particular circumstances. Explain the meaning of different accounting, concepts such as Business Entity, Money Measurement, Accounting Period, cost , Dual Aspect, concept etc.
11. Convention of Accounting – Explain the meaning and uses of convention of Accounting, such as full disclosure, prudence, materiality etc. Concepts distinguish between concept & convention of Accounting for better understanding of students.
12. Accounting Standard – Explain the various accounting standard in brief also explain the causes of Accounting standard.
13. Terms used in Accounting – Know accounting terms such as Event, Transaction, Voucher, Distinction between Event and Transaction.
14. Know other terms in Accounting such as Debtors, Creditor, Purchase, Sale, Returns, Assets, liabilities , Stock, Revenue, Expenses, Profit /loss, Drawings , Capital etc.
15. Accounting Equation, Meaning and Preparation: Define accounting Equation, State the effect of business transactions on accounting equation. know the procedure of preparation of balance sheet with accounting equation solve some problems on Accounting Equation.

16. System of Record Keeping- Define double entry system. State the advantages & limitation of double entry system.
17. Single entry system, its ruling with an example. Distinguish between Double entry & Single entry system.
18. Cash Basis of Accounting – Meaning of cash basis of Accounting. Who use cash basis of accounting? Advantages & disadvantages of cash basis of accounting.
19. Accrual basis of Accounting – Meaning of accrual basis of accounting, who generally use accrual basis of accounting? Advantages & disadvantages of accrual basis of accounting , give a brief idea about Hybrid basis of accounting.
20. Classification of Accounts:-British Approach (Traditional Approach)- Accounts may be personal and impersonal . Classify personal accounts into natural, artificial & representative personal accounts. Likewise Classify Impersonal Account into real & nominal element. Now apply Golden rule of debit & credit for personal, real and nominal account. For personal account debit the Receiver and Credit the giver, Real account debit what comes in and credit what goes out and for nominal account debit the expenses and credit the income gains.
21. Rule of Debit and Credit according to American Approach i.e Increase in the amount of Assets is debited and decrease in credited . Increase in the amount of capital is credited & decrease is debited . Increase in liabilities is credited & decrease is debited. Increase in liabilities is credited &reverse is debited. Increase in Revenue for income is credited & decrease is debited.

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**UNIT-II**  
**Journal Ledger and Tribal Balance**

**1. Meaning , Features and Format of Journal**

Journal is derived from the French word 'jour' which means a day. Hence, Journal is called a day book. It records all business transactions chronologically. It is the first book to record transactions as and when take place. So it is called a book of prime entry or original entry. The process of recording transactions in the journal is known as Journalising. The entries made in the books are known as Journal entries.

Features of Journal :

- i. Business transactions are recorded in the Journal in chronological order.
- ii. It is the book of original entry where transactions are recorded first
- iii. It is a day book since all the transactions are recorded daily
- iv. It records both the debit and credit aspects of the transactions according to the principles of double entry.
- v. It given brief explanation (narration) below each journal entry
- vi. It makes, the posting of the transactions to ledger, possible format of journal;

The form of journal is as follows:

**Format of Journal**

Date	Particulars	L.F	Debit amount Rs.	Credit amount Rs.

Journal is divided into five columns. The first column is meant for date. The second column records both the aspects of transactions. The abbreviations 'Dr' is recorded against the account to be debited. The second account (which is credited) always starts with the word 'To'. The word 'Cr' is not written against the account to be credited transaction is recorded below the second line of the journal within bracket. This is known as narration. After the narration, a line is drawn to separate a transaction from other.

The third column is known as ledger folio (L.F) column. This column records the folio or page number of the ledger where in the concerned account is subsequently posted.

The fourth and fifth column records the debit amount and credit amount respectively.

## **2. Steps involved in Journalising**

Advise the students to follow the steps mentioned below for journalising.

- i. Ascertain the accounts involved in the transactions. Minimum two accounts or more than two accounts may be involved in the transactions.
- ii. Find out the name of the accounts
- iii. Ascertain the nature of accounts involved such as Personal Account, Real Account and Nominal Account
- iv. Ascertain the account or accounts to be debited and account or accounts to be credited.
- v. Ascertain the amount to which accounts are to be debited and credited.
- vi. Record the transactions in proper format as given above.

## **3. Explain the students, the advantages and disadvantages of Journal.**

Some important advantages are mentioned below:

- i. Chronological record of Transactions:-** Journal keeps a permanent record of all financial transaction date –wise. So one can get date –wise happening of all transactions.
- ii. Narration:-** Journal is always supported by a short descriptions regarding the nature of transaction in the form of narration. So one can know about the happening under each transaction.
- iii. Reduces Possibility of error: -** Journal entry is passed by following the rules of debit and credit under the principles of double entry. Debit and credit are recorded side by side. So that total debit and total credit can be compared.
- iv. Minimising errors of Omission:-** Systematic recording of journal entry minimises errors of omission.
- v. Evidence of Transaction:-** Entry of journal is supported by documentary evidence like invoice, cash memo, money receipt etc. so it act as an evidence in case of any possible dispute or legal complications.
- vi. Assist in Preparation of Final Accounts:** Ledger is prepared from Journal. Tribal Balance is prepared from ledger. Final accounts are prepared from tribal balance. Journal being the original book of entry and basis of all subsequent books of accounts helps in preparation of final accounts. The students should be informed that they will read about tribal balance and financial account later on.

### **Disadvantages of Journal**

**In spite of many advantages, Journal has its own limitations**

- i. **Lengthy** – All the transactions are recorded chronologically in the journal. So, the size of the journal of a large concern becomes unusually bulky.



- ii. **Difficult to locate** –It is very difficult to locate a transaction without knowing the date of transaction.
- iii. **Difficulty in ascertaining the balance** – A separate ledger account in to be opened for each account, since it is very difficult to know the balance of any account at any point of time.
- iv. **Time Consuming** – posting each transaction from journal to ledger is very time consuming process.

**4. Rules of Journalising :**

Rule of Debit and Credit as per Traditional approach/ British approach.

The most important step involved in journalising is application of the rule of debit and credit. As we have discussed earlier, as per the traditional classifications there are three types of accounts viz Real, Personal and Nominal for which there are three golden rules

- Real Account:           Debit What comes in  
                                  Credit what goes out
- Personal Account:    Debit the receiver  
                                  Credit the giver
- Nominal Account:    Debit all losses and Expenses  
                                  Credit all incomes and gain.

**The rule of Debit and Credit as per Modern Approach are as under:**

Type of Account	Debit	Credit
Asset Account	Increase ↑	Decrease ↓
Liability Account	Decrease ↓	Increase ↑
Capital Account	Decrease ↓	Increase ↑
Income Account	Decrease ↓	Increase ↑
Expenses Account	Increase ↑	Decrease ↓

5. For the better understanding of Traditional approach solve the following example and explain why one account is debited or credited.

**Example I**

From the transaction given below, one of the accounts involved is given. State the other account and mention whether the account will be debited or credited.

- i. Started business with Rs25,000- cash
- ii. Goods purchased from Hari Rs10,000- Hari
- iii. Amount due from Gopal is recoverable Rs 250- Gopal
- iv. Discount allowed by Giri Rs15- Giri
- v. Freight paid on purchase Rs 125- cash

### Solution

Other Account involved	Will be Debited or Credited	Reason
i. Capital A/C	Credited	Personal A/C- Credited the giver
ii. Purchase A/C	Debited	Real A/c – Debit what comes in
iii. Bad debts A/C	Debited	Nominal A/C- Debit all losses
iv. Discount A/C	Credited	Nominal A/C – Credit all incomes
v. Freight A/C	Debited	Nominal A/C- Debit all expenses

### 6. Passing Journal entries with narration:

For the following transactions, Pass journal entries. You can also take other transaction for passing journal entries

- Started business with cash Rs 10,00,000
- Bought goods on credit from P & Co. For Rs 1000
- Received a cheque of Rs950 from Ramnath and allowed him discount Rs50.
- Withdraw Rs 1500for personal expenses
- Purchased 25 fan @Rs 500 per fan on cash from Mohan
- Depreciation of Rs 2000 was provided on the machinery
- Rs 925 due from Shyam was written off as bad debt.

### Journal

Sl No	Date	Particular	L.F	Amount Dr.(Rs)	Amount Cr(Rs)
(a)	-	Cash A/C Dr. To To capital A/C (Being started business with cash)		10,00,000	10,00,000
(b)	-	Purchase A/C Dr. To P &Co. A/C (Being goods purchased on credit)		1,000	1,000
(c)	-	Bank A/C Dr. Discount A/C Dr. To Ramnath A/C (Being cheque received and discount allowed)		950 50	1000
(d)	-	Drawings A/C Dr. To cash (Being cash withdrawn for personal use)		1500	1500
(e)	-	Fan A/C Dr. To cash (Being 25 fans purchased @rs 500each)		12500	12500
(f)	-	Depreciation A/C Dr. To Machinery (Being Depreciation charged on Machinery)		2000	2000
(g)	-	Bad debt A/C Dr . To shyam (Being amount due from Shyam is written off as bad debt.)		925	925

## Meaning and Format of Ledger:

Ledger is the main book of accounts. It contains all accounts of a business firm in a classified and summarised form. It may be defined as a book or register which provides permanent record of all financial transaction in a classified and summarized form. In the ledger book all accounts relating to different items are maintained. All journal entries are posted to appropriate accounts in the ledger. It provides complete information about all transaction relating to all parties, all items of assets, liabilities, income, expenses individually. For this reason ledger is called “Principle Book” or “Main Book” or “Chief Book” of accounts.

### Features of Ledger:

- Ledger is the main book to record all accounts of a business concern
- It is prepared by posting from journal
- Separate pages are allotted to different accounts individually. For example – Ram Account, Rent Account, Interest Account etc. will appear in different pages and so on.
- Ledger account shows the current balance of all accounts
- It gives complete information regarding assets, liabilities, expenses, incomes of the business unit.
- Tribal Balance and final accounts are prepared from ledger accounts.

### Format of Ledger Account:

As we know, “An account is a summarised record of all transactions relating to particular person or an item of income or expenses”.

An account is vertically divided into two identical parts. Both the parts are separated by two identical parts. Both the parts are separated by two vertical line drawn closely or a thick vertical line. It resembles to the shape of English alphabet “T”.

The left hand side is the “debit side”. The right hand side is known as “credit side”.

Dr		Name of the Account				Cr.	
Date	Particulars	Folio	Amount Rs	Date	Particulars	Folio	Amount Rs

Explain the students about the Layout of an account. For example, the name of the account in written at the top. The date column shows the date of the transaction, the particular column shows the name of other account credited (on the left side) or debited (on the right side). Folio (journal folio)

column is used to record the page number of the journal from where posting is made to the account. And the amount column is used for writing the amount of the transaction.

### 8. Rules of Posting and Balancing of Ledger account

Every transaction is first recorded in the journal. The transactions are then transferred from the journal to the concerned account in the ledger. The process of transferring the transaction from journal to ledger account is known as posting.

The following steps may be followed for posting from journal to ledger

- i. Locate the account in the Ledger to be debited
- ii. Record the date of the transaction in the date column on debit side of the account.
- iii. Write the name of the account credited on the debit side of the account in particular column. The word 'To' is prefixed to the name of the account.
- iv. Record the page number of the journal from which the entry the page posted in the folio column on the debit side of the account.
- v. Enter the relevant amount in the amount column on the debit side.
- vi. In the folio column of the journal, record the page number of the ledger to which the posting is made.

As an illustration, let us consider the following journal entry

Rent Account	Dr.	Rs.	Rs.
To cash Account		1000	1000

The two accounts will appear as follows

Dr				Cr			
Rent Account							
Date	Particulars	JF	Amount Rs	Date	Particulars	JF	Amount Rs
	To cash Account		1000				

Dr		Cash Account				Cr.	
Date	Particulars	JF	Amount Rs	Date	Particulars	JF	Amount Rs
					By Rent Account		1000

### Balancing of Ledger Accounts:

The word balance means the difference between the total amounts of two sides of an account. The business man wants to know the net position of the various accounts. For this purpose, he makes total of the sides of accounts separately and finds out the difference / balance. Balancing is the process of finding out the difference between debit and credit side amount of an account and writing the difference in the shorter side, so that both the debit and credit totals are made equal.

Advise the students to remember the following to know about debit balance and credit balance .

Balance	Meaning
By balance c/d	Closing Debit Balance
To balance c/d	Closing Credit Balance
To balance b/d	Opening Debit Balance
By balance b/d	Opening Credit Balance

### 9. Cash Book, its type and Proforma of different types of cash book:

Each and every business has largest number of cash transactions in comparison to other transactions. Hence, it is necessary to maintain a subsidiary book called cash book to record all the cash transactions.

The subsidiary book which records all cash transactions including bank transactions is known as cash book.

For better understanding, explain the difference between cash book and cash account.

Types of Cash Book:

The various types cash book maintained are usually as follows

- i. Single column cash book (with cash column only)
- ii. Double column cash book (with cash and discount column)

- iii. Triple column cash book (with cash, bank and discount column)
- iv. Bank cash book (With Bank and Discount Column)
- v. Petty cash book

**PROFORMA**  
Single Column cash Book

Dr.				Cr.			
Date	Particulars	L.F	Amount	Date	Particulars	L.F	Amount

The above proforma records all the receipt of cash in its debit side and all payments in its credit side. This cash book always shows debit balance indicating cash in hand.

Likewise a double column cash book is prepared having only two extra columns meant for discount. The totals of discount column in debit side indicate discount allowed and the totals of credit side discount indicate discount received. This column never balances.

### 10. Meaning and Proforma of Triple column Cash Book

Now Business houses prefer bank transactions to cash transactions. It is more convenient and less risky to deal with cheques and drafts rather than cash. A bank account is opened for frequent bank dealings, e.g., frequent deposits and withdrawals.

So an extra amount column is added in both sides of the cash book for recording receipts and payments through cheques, drafts etc. In such a case, there will be three amount columns on either side of the cash book, one for cash, second for bank and third for discount. Such a cash book is known as Triple column.

All cash receipts, deposits into bank and discount allowed are recorded in the debit side of this cash book. All cash payments, discount received and withdrawals from bank are recorded in the credit side of the cash book. The cash and bank amount columns serve the purpose of both cash account and bank account.

One special type of entry is posted in this cash book i.e. contra entry. Contra entry arises generally in the following cases.

- i. Deposit of cash in the bank
- ii. Withdrawal of cash from bank for office use
- iii. Deposit of cheque which was received earlier and recorded in the cash column of the cash book

Proforma of Triple column cash book

Triple Column Cash Book

Dr.					Cr.				
Date	Particulars	Discount (Rs.)	Cash (Rs)	Bank (Rs)	Date	Particulars	Discount (Rs.)	Cash (Rs)	Bank (Rs)

11. Solve a problem from the Text on Triple column cash book for better understanding of the students

12. Purchase Book, Sources of data for purchase book and its proforma Daybook, Purchase journal or purchase register etc.

This book is used for recording credit purchase of goods and raw materials. It does not record credit purchase of any assets like land, building, plant & machinery etc. Since these are recorded in journal proper.

**Sources of Data for the Purchase Book**

The entries in the purchase book are made on the basis of invoice received from the supplier for the net amount. The net amount is arrived at after deducting trade discount and quantity discount. The invoice received by the purchase is known as purchase invoice or inward invoice .

Prepare a proforma of purchase book, explain the students the method posting of individual amount to the credit of suppliers account on daily basis. Periodic totals of the purchase book are posted to the debit of purchase account with the words. “To sundries as per the purchase book” in the particular column.

Take an example and solve a problem based on Purchase book for clear understanding of the students.

13. Sales book, sources of data for sales book and its proforma

Sales book (Otherwise known as sales day work or sales Journal) is a subsidiary book. It records only credit sale of goods. It does not record cash sales of goods or sale of assets on credit. Cash sales are recorded in the cash book. Credit sales of assets are recorded in the Journal in the Journal proper.

Sources of data for sales Book:

The entries in the sales book are made on the basis of invoice issued to the customer with the net amount after deducting Trade discount. The invoice is known as outward invoice for the seller. The same is known as inward invoice for the buyer.

Prepare a protorma of sales book and solve a problem based on sales book.

14. Explain the difference between Purchase and Sales and Purchase Account and Purchase book for better understanding of the students.
15. Explain in brief the purchase Return book and sales Return book. Prepare the proforma of both the books and also explain what is specimen of debit note no and credit note no and their use in preparation of purchase return and sales return books.
16. Tribal Balance – Meaning , Definition and objectives of tribal balance .  
Explain the Meaning , Definition and objectives of preparing tribal balance
17. Discuss the advantages and limitation of Tribal Balance
18. Methods of Preparing Tribal Balance :  
Explain both the method of preparing Tribal balance i.e , total method and balance method . Also state that balance method is usually used by many organisations to check the arithmetical accuracy of all transformation deal by the business during an accounting period.
19. Draw the format of a Tribal Balance. Take five or six transactions, pass journal entries and prepare ledger account and find out their balances. Now put the balances in the Dr. Balance column and cr. Balance column and thus prepare a tribal balance. It both the balances will not agree put suspense in shorter side of tribal Balance.
20. Take an incorrect trial balance from the Text and redraft it. This will help the students to draft correct trial balance.
21. Take one class for clearing the doubts of students on subsidiary books and trial balance
22. Conduct an examination, review the performance of the students and point out their mistakes.

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**UNIT-III**  
**Bills of Exchange and Computerized Accounting**

1. Explain the meaning and Definition of Bills of exchange. Then explain the characteristics feature and parties to a bill of exchange. There are three parties to a bill of exchange such as Drawer, Drawee and Payee.

Drawer – He is a person who draws the bill of exchange

Drawee – He is a person on whom the bill of exchange is drawn

Payee – He is a person to whom payment is to be made on due date. If the bill of exchange is retained by the drawer till maturity date, then drawer will be the payee.

2. Draw a Specimen of Bill of Exchange . Explain the features of bill of exchange . State the name of drawer and the name of drawee in that specimen.
3. Draw a specimen of promissory note . Explain the features of promissory note. Also state that the name of the drawee and payee in that specimen.
4. Distinguish between bill of exchange and promissory note.
5. Discuss important term of Bills of Exchange – The following are the important terms which are used frequently **Holder-** A person who is in the physical possession of the bill and has the right to recover the amount due on the bill from the parties. He is either a payee or an endorse. **Demand Bill-** Bills of exchange payable on demand are called demand bill. The bill must contain the word “on demand”. **Time Bills** – Bills of exchange are made payable after the expiry of a certain period of time which is mentioned in the bill. Also discuss other term of the bill.
6. Days of Grace & Calculation of nominal due date & legal due date. For knowing about due date of the bill, student should know that time bill are of two types as follows:
  - (i) After sight bill
  - (ii) After date bill

For after date bill, due date is calculated from the date of drawn. But for after sight bill, due date is calculated from the date of acceptance.

**Nominal Due Date** – The date on which the actual term of a bill expires is termed as nominal due date

(i) For after date bill, Due date = Date of Drawing + Period of the bill

(ii) For after sight bill, Due date = Date of Acceptance + Period of the bill.

**Legal due date** – When three days are added to the nominal due date, it becomes the legal due date of the bill.

**Days of Grace** – Three extra days are added to the tenure of the bill in order to arrive at the due date is called ‘Days of Grace’. It is allowed to the drawee with a view to enable him to arrange the necessary finance to meet the bill.

For better understanding of the student, the following example may be taken into account.

A bill drawn on 1<sup>st</sup> January 2018 for three months and accepted by the drawee on 3<sup>rd</sup> January, 2018. The due date is calculated as below:

If the due date is calculated from the date of drawing i.e 1<sup>st</sup> January 2018, it is an “After date bill” its date of maturity is 4<sup>th</sup> April 2018. If the date of maturity is calculated from the date of acceptance of the bill on 3<sup>rd</sup> January 2018, it is an “After Sight Bill” and its date of maturity is 6<sup>th</sup> April 2018.

You have to show the students, how the maturity date of “After date bill” is 4<sup>th</sup> April 2018 and that of “After sight bill” is 6<sup>th</sup> April 2018.

7. **Treatment of Bills** : The holder of the bill can treat/ handle the bill in four different ways,
  - (i) He can retain the bill till due date
  - (ii) He can discount the bill with his banker, if he is in immediate need of money

- (iii) He can endorse the bill in favour of his creditor for settlement of his debt
- (iv) He can send the bill to his banker for collection.

So in case of Honour of the bill, pass journal entries in the books of drawer in above four situations. Also in case of honour of the bill pass journal entries in the books of drawee. But you will find that the drawee passes only two entries in his books under all the above four situations.

8. On 1<sup>st</sup> January 2018 Ram sold goods to Rahim on credit north. Rs 7,000 drawing upon the latter a two months bill for the amount. Rahim returned the bill to Ram after acceptance which was met on due date. Journalise the transactions in the books of both Ram & Rahim if (a) The bill in retained by Ram till due date  
(b) The bill is discounted by Ram on 4<sup>th</sup> Jan 2018 @5% p.a
9. Frame a question like question number 8 and pass necessary journal entries in the books of drawer and drawee if,
  - (a) The bill is endorsed to Rabin (third party)
  - (b) The bill is sent to bank for collection immediately after acceptance
10. Dishonour of bills : If the drawee fails to make payment on the due date to the holder of bill, the bill of exchange is said to be dishonoured. Consequent upon the dishonour of bill, the holder of bill will intimate by issuing notices to all the previous parties such as the endorser and drawer whose names appear on the bill. When a bill is dishonoured, it is desirable on the part of the holder of the bill to get presented to the drawee through a notary public. The process for writing the fact of dishonour is called noting of the bill. The notary public charges a nominal amount for his service to the holder, called noting charges.

**In the Books of Drawer :** According to the status of the bill on due date, different entries are passed in the books of drawer in order to cancel the previous entries regarding the bill.

(i) Retaining the bill till the date of maturity

Drawee A/c	Dr
To bills Receivable A/c	
(Being the bill dishonoured)	

(ii) Discontinuing the bill with the Banker

Drawee A/c	Dr
To Bank	
(Being the discounted bill dishonoured)	

(iii) Sending the bill for collection

Drawee's A/c	Dr
To bank for collection account	
(Being the bill sent for collection, dishonoured)	

In the Books of Drawee

When a bill is dishonoured by the drawee in all the above four cases, drawee is to pass the same entry as below:

Bills Payable A/C	Dr
To Drawer's A/c .	
(Being the bill dishonoured)	

Accounting for Noting Charges :

The holder of the bill is to pay fee to the notary –public called “Nothing Charges” for presenting the bill to the drawee. The drawer has to pass different entries depending upon the status of the bill on due date. Such entries may be as follows.

(i) Drawees A/c Dr  
 To cash A/c  
 (Being bill retained by self  
 and cash paid for noting charges)  
 (iii) Drawee's A/c Dr  
 To Endorse's A/c  
 (Being Noting charges paid by  
 Endorse on dishonour of bill)

(ii) Drawee's A/c Dr  
 To Bank A/c  
 (Being discounted bill dishonoured  
 and Noting charges paid by bank)  
 (iv) Drawee's A/c Dr  
 To Bank A/c  
 (Being noting charges paid by bank  
 on dishonour of bill sent to bank for  
 collection )

But in the Books of Drawee a single entry is passed for noting charges in all above situations as follows :

Nothing Charges A/c Dr  
 To Drawer A/c  
 (Being noting charges paid)

11. X draws a bill of Rs 10,000 on Y on 1<sup>st</sup> February 2018 for 3 months and y accepted the same. On due date the bill was dishonoured and noting charges of Rs. 300 were paid. Pass journal entries in the books of x and y.

12. **Renewal of Bill-** Some times , the old bill is renewed by the drawer on the request of the drawee that he can not honour the bill on due date due to financial problem. The process of cancelling the bill and drawing a fresh bill against the old one for an extended period is called renewal of the bill. The new bill comes up with fresh terms and conditions , due acceptance and delivery. Since the cancellation of the bill is naturally agreed upon, noting of the bill is not necessary. Under this method the old bill will be cancelled by passing the same entry as was done in care of dishonour of bill by the drawer and drawee. For renewal of the bill, the same entry will be passed in the books of drawer and drawee as was done at the time of drawing the initial bill. But for interest, which is charged by drawer for extended period as follows.

In the Book of Drawer

(i) Cash A/C Dr  
 To Interest  
 (Bring interest received for extended period  
 Of the bill)  
 (ii) In interest is not received  
 Drawee's A/c Dr  
 To Interest A/c.  
 (Being Interest due for extended period)

In the book of Drawee

(i) Interest A/c Dr  
 To cash A/c  
 (Being interest paid for extended  
 Period)  
 (ii) Interest A/c Dr  
 To Drawer  
 (Being Interest due for extended period)

13. **Retirement of Bill :** If the drawee desires to make payment of the bill before the due date and the drawer agrees to it, it is known as "retirement of the bill". The accounting treatment of the bill in the books of both the parties remains the same as the bill is honoured by the acceptor or drawee except one difference . The difference is that the drawer grants a rebate to the drawee and he is that the drawer grants a rebate to the drawee and he is ready to accept a lesser amount of the bill. This rebate is a loss to the drawer where as the same amount is profit to the drawee.

The journal entries passed at the time of retirement of bill are as follows :

In the Books of Drawer

Cash A/c Dr  
 Rebate A/c Dr  
 To Bills Receivable A/c  
 (Being bill retired with rebate allowed)

In the Books of Drawee

Bills payable A/c Dr  
 To rebate A/c  
 To Bank A/c  
 (Being the bill retired and rebate earned)

Pass Journal entries in the books of drawer and drawee for the following illustration.

Ram sold goods worth Rs 10,000/- to Gopal on 1<sup>st</sup> January 2018 and immediately draw a bill on Gopal for 3 months for the same amount. Gopal accepted the bill on the same date. Gopal retired the bill on 4<sup>th</sup> February 2018 at a rebate of 15% per annum.

14. Discuss what is Accommodation Bill? Also discuss the three types of a arrangements that can be made in accommodation bill. Frame a question and pass journal entries when bill is drawn
  - (i) To accommodate the drawer only
  - (ii) To accommodate both drawer and drawee under a single bill
  - (iii) To accommodate both the parties by drawing two bills simultaneously on each other
15. For better understanding of accommodation of both drawer and drawee under a single bill, the following illustration may be solved in class viz- on 1<sup>st</sup> October 2018, Arati draw a bill on Minati for Rs. 5,000/-for mutual accommodation for 3 months . Minati accepted the bill and returned to Arati. On 3<sup>rd</sup> October 2018, Arati discounted the bill @10% p.a with her bank and remitted half of the proceeds to Minati. On the due date, Aarati sent the requisite amount to MINati by cheque and Minati honoured the bill on due date. Pass necessary journal entries in the books of Arati & Minati.
16. Discuss the meaning and definition of Computer. Explain the components of computer. Itfpossible show the components of computer to students on computer Laboratory.
17. Discuss Modern Computerised Accounting System and its six basic requirements.
18. Take a commonly used software and explain the functions of computerised Accounting System.
19. Explain the need and advantages of computerised Accounting.
20. Explain the meaning, purpose and reliability of Accounting Information system.

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## UNIT-IV

### **Rectification of Errors and Bank Rectification Statements**

1. **Meaning of Error and causes of Accounting Error :** The errors or mistakes which are committed in journal, ledger or in any other financial statements are known as accounting errors. Formally, accounting errors may be defined as those mistakes, which are generally committed while recording the financial transactions in the books of accounts. These errors may be committed while recording the transactions in journal and posting them in the ledger account. Such errors may be technically committed or committed due to lack of knowledge of accounting principles. Generally, accounting errors are unintentional. However, it may be intentionally be committed so as to take some undue advantages. These errors may affect the true business results- so errors must be properly located and rectified for the purpose of ascertaining the true profits or losses and financial position of the business. There are several causes of accounting errors, such as Lack of knowledge, carelessness, ineffective internal check, dishonesty etc. The above points may be explained to the students giving examples of each.
2. **Types of Error :** All errors of accounting procedure can be classified as follows:  
Error of Principle– When the transaction are recorded against the fundamental principles of accounting, it is known as error of principles – for example, if revenue expenditure is treated as capital expenditure or vice versa.  
Clerical Error – These errors can be sub-divided as follows  
(i) Error of omission – when a transaction is either wholly or partially not recorded in the books, it is an error of omission.  
(ii) Error of Commission: When an entry is incorrectly recorded either wholly or partially, incorrect posting, totalling or balancing, it is an error of commission. Sometimes the errors of commission affect the trial balance where as other do not. Errors affecting the trial balance can be revealed by preparing a trial balance.  
(iii) Compensating errors: At times, an error is counter balanced by another error in such a way that it is not disclosed by the trial balance. Such errors are called compensating errors.
3. **Errors disclosed by the Trial Balance –** These errors affect the agreement of the trial balance . They are also called one sided errors, since they affect only one account. For example –purchase of goods Rs 15000 from Raju is recorded in purchase book. Total of purchase book has been posted to purchase account , but purchase of the said amount has not been posted to the credit of Raju’s account. As a result the credit total of the Trial Balance will be less than the debit total by Rs 15,000/-. The error so committed is one sided error, which will affect the agreement of the Trial balance .  
One sided errors occur in the following cases :  
(i) Posting only one aspect of the journal entry to the ledger.  
(ii) Posting a journal entry to the wrong side of an account  
(iii) Wrong totalling of subsidiary books  
(iv) Posting the correct amount to one account and wrong amount to the other account.  
(v) Wrong totalling or balancing of a ledger account  
(vi) Omitting to post the total of subsidiary books to the ledger  
(vii) Omission in writing the cash book balance in the Trial Balance  
(viii) Totalling the Trial Balance wrongly  
Give example of each of the above cases for better understanding of students.
4. **Errors not disclosed by Trial Balance-**  
These errors are also called two sided errors . Two sided errors are those errors which affect both the debit and credit aspects of the same account or of two different accounts. In such

cases, the error or errors do not affect the Trial balance. For example , purchase of Rs 5000 from suresh is recorded as Rs 1500 in the purchase book. Since, Rs 1,500 is posted to purchase account (debit) and suresh account (credit). Trial balance will still agree. Two sided errors occur in the following cases:

(i) Error of Principle: Explain error of principle with an example to students.

(ii) Compensating Error – If the effect of one error is neutralised by the effect of some other error / errors . It is called compensating error. Trial balance will still agree. Suppose an amount of Rs 1500 received from x is not credited to his account and the total of the sales book is Rs 1500 in excess. The omission of credit to x amount will be made up by the increased of credit to sales account and the Trial balance will agree in spite of the presence of such errors.

(iii) Errors of complete omission

(iv) Posting current amount on the correct side but in wrong account.

(v) Recording wrong amount in the books of original entry

(vi) Recording both aspects of a transaction twice in the books of account.

The agreement of Trial Balance is not a conclusive proof of the accuracy of accounts. Even if a trial balance agrees, still certain errors might be persisting, as enumerated above. The next step in, therefore, the detection of errors. The difference between the totals of the Trial Balance implies the existence of errors, which must be located and rectified.

#### 5. Rectification of Errors before preparation of Trial Balance and final account :

Errors once detected must be rectified. Correction should not be made by way of over writing or erasing the wrong entry. It may encourage falsification and fraud. Therefore, errors are corrected with the help of suitable entries in journal proper. From rectification point of view, errors can be divides into two categories:

(A) One sided Errors

(B) Two Sided Errors

(A) Rectification of one sided errors: Errors , that affect only one side of an account, either debit or credit are called one –sided error . Examples of such errors are as follows.

(i) Sales book overcast by Rs 300

(ii)Rs 5000 received from Rahim was posted to his account as Rs 500

(iii) Purchase book under cast By Rs 500

(iv) Commission paid to agent Rs 450 was not posted to Commission account.

(v) Interest received Rs 400was posted to the credit side of interest account twice.

(vi) The total of discount allowed column in the Triple Column cash book Rs 79 was posted to the discount allowed account as Rs 97 and so on.

Students are advised to remember some of the above transaction which cause one sided error. Rectification of one sided error can be made in two ways as follows: (i) If errors given in the examples are detected before closing the accounts or preparation of trial balance , then they are rectified as follows.

(a) Transaction- Sales Book, Over-cast By Rs300 – In this example the totalling of sales book has exceeded by Rs 300. Posting are made from sales to the credit side of sales Account. Thus, Posting of Rs 300 to the debit side of sales account will rectify this error as below

Dr		Sales Account		Cr	
Particular	Amount (Rs)	Particular	Amount(Rs)		
To over casting of Sales Book	300				

(b) Transaction – Purchase book under cast by Rs 500.

By under cast of Purchase Book we mean ,this purchase book has been totalled less. The periodical total of purchase book is posted to the debit side of purchase account i.e the debit total falls short by Rs 500. Thus, this error can be corrected by an additional entry on the debit side of the purchase account as shown below.

Purchase Account			
Dr			Cr
Particular	Amount (Rs)	Particular	Amount(Rs)
To understanding of Purchase Book	500		

**6. Rectification of one sided errors after transfer of difference in Trial balance to the suspense account.**

One sided errors can be corrected with the help of rectifying journal entries. For this purpose, the differential short balance of the Trial Balance transfer to suspense Account will be utilised to rectify errors. The following errors are rectified with the help of suspense Account  
Transaction – Total of Sales Book Rs 5000 omitted to be posted.

The effect of this error is that sales account has not been credited by Rs 5000. Therefore for rectification sales account is to be credited. The other aspect (i.e debit will be the suspense account) Hence, the rectification entry will be :

Journal			
Date	Particulars	Dr (Rs)	Cr (Rs)
	Suspense A/c <span style="float: right;">Dr.</span>	5000	
	To sales A/c (Being total of Sales Book omitted to be posted, now rectified )		5000

Other examples of transaction having one side error may be taken by the teacher and rectification enter should be passed.

7.(ii) Rectification of two side errors – Errors that affect two or more accounts, generally with equal debit and credit amounts are known as two sided errors. Trial balance is not affected by these errors and such errors are not disclosed by Trial Balance. However, those errors when detected are rectified with rectification entries passed in general ledger/ journal proper.

Rectification of these types of errors is done in the following manner.

- 1) Write down the correct entry to the transaction
- 2) Write down the wrong entry just below it , actually passed through the books of account.
- 3) Compare the correct entry with the wrong entry and arrive at the required rectification entry to set off the effect of error committed in the accounts involved in the transaction.

Examples of two sided errors and their rectification are explained as follows.

1- Credit sale of 25,100 to amar was passed through the purchase book, Rectify

Entry	Particulars	Dr (Rs)	Cr (Rs)
Current Entry	Amar's A/c <span style="float: right;">Dr</span>	5,100	
	To Sales		5,100
Wrong Entry	Purchase A/c <span style="float: right;">Dr</span>	5,100	
	To Amar's A/c		5,100
Rectifying Entry	Amar's A/c <span style="float: right;">Dr</span>	10,2000	

	To Purchase A/c To Sales A/c (Being sales to Amar passed through purchase book rectified)		5,100 5,100
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8. The teacher may take more transactions having two side errors and rectification entry should be passed for the same to clarify the doubts of the students.
9. Explain the meaning uses of suspense account. Also discuss the steps necessary for preparation of suspense account.
10. Try to explain the students the effect of error on profit and loss A/c and B/s . The effect of errors and their rectification on profit and loss are as follows:

Nature of error in Nominal Sales and Purchase Account	Effect of error on Profit	Effect of Rectification entry on Profit
Excess Debit	Reduces	Increases
Excess Credit	Increases	Reduces
Short Debit	Increases	Reduces
Short Credit	Reduces	Increases
Omission of Debit	Increases	Reduces
Omission of Credit	Reduces	Increases

11. Pass necessary Journal entries to rectify the following errors and prepare a suspense A/c , when the trial balance showed excess debit of Rs 21, 770 while preparing final account.
  - (i) A sale of Rs 45,000 to Dhiraj was debited to his account as Rs 54,000/-
  - (ii) Return outward of Rs 3,500 was not posted to the ledger.
  - (iii) Discount allowed total of Rs 2030 in the cash book has been carried forward as Rs 3200
  - (iv) Discount received column of the cash book was under cast by Rs 100.
  - (v) Cash sales of Rs 8000 was not posted to the sales account. Solution of this problem will give the students more knowledge about the utility of suspense account.
12. Explain the meaning and need of preparing Bank Reconciliation Statement :

First give a brief idea about Bank Pass Book and cash book (Triple Column). Say the students that reconciliation is made between the balance as per pass book and the balance as shown in the bank column of the Triple column cash book. The balance may be positive or negative that does not matter. If the balance is negative , it is known as overdraft.

A bank Reconciliation is a process that explains the difference between the bank balance shown in an organisations bank statements (Pass Book) as supplied by the bank and the corresponding amount shown in organisations own record (cash book) at a particular point of time .

The debit balance of cash book and credit balance should be same. But sometimes the two balances differ if the two balance differ , it is necessary to know the reasons for the difference. The difference may be because of an error in cash book or pass book or cheques



issued not having been presented for payment or deposited in bank or vice-versa or for any other reason is prepared. This statement is known as Bank reconciliation statement.

### **Need of preparing Bank reconciliation Statement**

Bank Reconciliation statement is prepared because of the following reasons.

- I. It brings to light errors that may have been committed either in the cash book or in the pass book.
- II. Undue delay in clearance of cheques deposited is known from the reconciliation.
- III. Regular Reconciliation discourages embezzlements.
- IV. Reconciliation helps the management to check the accuracy of entries recorded in the cash book.
- V. It shows the actual bank balance

13. Causes of difference between cash book and pass book balance and steps in preparation of Bank Reconciliation statement.

Balance as per cash book and bank pass book may differ under some situations as follows

- I. Difference due to timing  
There is always a time gap between recording a transaction in the customers books of accounts i.e cash book and it being recorded by the bank in the pass book. For example , a cheque issued is recorded in the cash book immediately but the bank records it only when it is presented for payment other examples of time gap of recording may be given to students.
- II. Transactions recorded by the bank  
At times transactions are recorded by the bank, which are not known to the account holder. The account holder records it in his books of accounts only after getting the pass book updated. For Example interest charged or allowed bank charges etc are recorded by the banker without the knowledge of the customer. The customer comes to know about it after receiving intimation from the bank. Such transactions in the bank passbook lead to difference between the passbook and cash book balance.
- III. Errors  
Errors may be committed by the bank or the customer and these errors result in difference in the balances of cash book and pan book.

### **Steps in Preparation of Bank Reconciliation Statement**

The following steps may be followed by the students for bank reconciliation statement after receiving the bank pass book.

Step 1- Tick common items , the items that appear in both the cash book and the bank pass book.

Step-2 Ascertain Point difference. The remaining un ticked items from both the books will be the point of difference.

Step 3 The unticked item in the cash book will represent cheque deposits in the bank but not collected and credited in the pass book or cheques issued but not presented for payment. The unticked items in the pass book will relate to the credits given if any for interest allowed by the bank, deposits on account of dividends, interest on investments collected by Bank or debit in respect of bank charges and payments made by bank for insurance premium etc.

Balance as per cash book or as per pass book can be taken as the base for preparation of Bank reconciliation statements. If the statements is started with the balance as per cash book , the answer arrived at the end will be the balance as per pass book and vice versa.

**14. Preparation of Bank Reconciliation statements starting with cash Book balance.**

Bank Reconciliation statements, if started with debit, i.e favourable balance as per cash book, each entry causing difference is analysed to ascertain its effect on cash book balance i.e whether it has led to increase or decrease in the cash book balance.

Entries that have led to decrease in cash book balance (e.g Cheques issued but not presented for payment, divided received and credited by bank but not recorded in the cash book etc) are added to the balance as per cash book.

Similarly entries of difference that have led to increase in cash book balance ( e.g cheques deposited but not credited by bank, bank charges debited by the bank etc) are deducted from the balance as per cash book.

These amounts when added or deducted from cash book balance, give the balance as per Bank pass book.

Solve a problem starting with balance as per cash book to understand Bank reconciliation statements more clearly.

15. Preparation of Bank Reconciliation statements starting with credit balance (i.e., over draft as per cash book balance) entries that have led to increased overdraft balance as per cash book (i.e cheques issued but not presented for payment , interest credited by the bank etc.) are deducted from overdraft balance as per cash book.

Similarly , entries that have led to decreased overdraft balance as per cash book (e.g Cheques deposited but not credited by bank, bank charges debited by the bank, direct payment by the bank not recorded in the cash book etc) are added to the overdraft balance as per cash book.

The deduction and additions of above amounts results in the balance or overdraft as per pass book.

16. Solve a problem starting with credit balance as per cash book (overdraft balance)

**17. Preparation of Bank Reconciliation Statements starting with Pass Book Balance**

Entries that have led to increased pass book balance (e.g., cheques issued but not presented for payment, interest credited by bank etc.) are deducted from the Bank Pass Book balance.

Similarly entries that have led to the decreased Bank pass book balance (e.g., cheques deposited but not credited, bank charges debited by bank, insurance premium paid by bank as per standing instruction etc.) are added to the Bank Pass Book Balance.

The adjustments of above amounts lead to the balance as per cash book.

18. Prepare a Reconciliation Statement taking balance as per pass book to clarify the doubt of the students.

19. Prepare Bank Reconciliation statements if started with debit or over draft as per bank pass book.

Entries that have led to decrease in overdraft as per Bank Pass Book (e.g Cheques issued but not presented for Payment, interest credited by bank etc. are added to overdrafts as per Bank Pass Book.

Similarly Entries that have led to increased overdraft of Bank Pass Book Balance (e.g Cheques deposited but not credited, Bank charges debited by bank etc ) are deducted from the overdraft as per Bank Pass Book.

The adjustments of above amounts lead to amount overdraft or balance as per cash book.

20. Besides solving problem by add and subtract method. The students should be taught + and – column method of solving Bank Reconciliation Problems. Here ‘+’ Means add ‘-’ means Subtract from the cash book balance or pass book balance to arrive at the net result. Prepare a format / specimen of Bank Reconciliation statements under this method.

21. Solve a problem based on overdraft balance as per Bank pass book by add and less method and ‘+’ column and ‘-’ column method and show the student that the answer is same under both the methods.

22. Conduct an examination setting questions from this unit and review the performance of the students.

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# Business Mathematics and Statistics

## 1<sup>st</sup> Year Lesson Plan & Progress

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
I	1.	Profit and Loss – Meaning – Definition – Identify Profit and Loss			
	2.	Calculation of Profit % on C.P and on S.P			
	3.	Gross Profits, Net profit, Direct cost and indirect cost $G.P = S.P - DC$ , $NP = G.P - I.C$			
	4.	Find out profit and loss from different problems calculate SP when % of loss given.			
	5.	Find out profit on sales and profit on cost			
	6.	Work out combined profit and loss			
	7.	Work out successive profits			
	8.	Narrate dishonest profit with the help of examples			
	9.	Different Discounts and work out problems			
	10.	Work out two or more discount related problems			
	11.	Work out different problems from profit and loss			
	12.	Conduct performance Test			
	13.	Concept of partnership – partners and characteristics.			
	14.	Term, Rules related to partnership, Distribution of profit			
	15.	Types of partnership – simple and compound			
	16.	Work out problems from compound partnership.			
	17.	Admission of partners and retirement of partner.			
	18.	Profit of partnership after distributing interest on capital and salaries.			
	19.	Work out number of problems from the chapter			
	20.	Conduct performance test.			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38.	Concept and definition of logarithm. Properties of Logarithm. Laws of Logarithm. Work out problems from laws of logarithm. Change of base – Give examples Work out problems from change of base. Find out the characteristics and its procedure to follow. Mantissa – Procedure to find from Log table. Problem work out to find characteristic and Mantissa Antilogarithm – Meaning – table reference. Operation of Log. Values – Addition, Subtraction, Multiplication and Division. Using Log table, Find different problems related to value and evaluation. Definition of interest, types of interest. Work out simple interest problems. Installment payment system. Features of compound interest. Calculation of Rate of interest and no. of years from the given figures. Work out the C I with Log and without Log.			
<b>II</b>	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13.	Concept of Annuity – Definition – Types Amount in Annuity – Present value – Formula – Symbol Problems on future amount or accumulated amount of an annuity Problems on present value of annuity Present value of deferred annuity Accumulated amount of annuity certain due deffered Deferred annuity – Annuity perpetual Sinking fund – its calculation Loan and overdraft its calculation Revision of problems from annuity Performance assessment Discounting Bill if Exchange – Concept – features – Elements Bill Discounting – True discount and Bankers discount			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27.	P.V and B.V – Theoretical presentation. Discounted value – unexpired period – Days of grace Bill of Exchange – Legal due date – nominal due date Date of maturity of bill before due date Chapter discussion with problem and solution. Stock and share – Mathematical operation involved Types of share and stock – Differences Cash value – Stock value - related matters Brokerage – Broker’s duty – Broker’s remuneration Work out problems related to M.V and C.V Dividend calculation – Ex-dividend and cum-dividend Income from investment – better investment Calculation of investment price from income Other related problems and performance assessment			
<b>III</b>	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15.	Statistics – Singular and Plural sense Definition and Characteristics of statistics Statistics expresses as statistical method Functions of statistics Scope of statistics Relation of statistics in different field of life. Relation of statistics in Economics and planning Relation of statistics in Business and Commerce Relation of statistics in Industries and Management Relation of statistics in Insurance and Banking Statistical survey – Planning and executing survey Planning a statistical survey – purpose Types of survey – census and sample etc. Executives a statistical survey Steps of execution			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
IV	1.	Data collection – statistical Unit – Objections of data collection			
	2.	Types of collection – External and Internal			
	3.	Primary and secondary data – Meaning			
	4.	Distinguish between Primary and Secondary data			
	5.	Methods of collections of Primary data. Direct personal investigation			
	6.	Methods of collections Indirect oral investigation.			
	7.	Methods of collections through Local correspondence			
	8.	Mailed questionnaire method			
	9.	Methods of collections schedules sent through Enumerations			
	10.	Method of collecting secondary data			
	11.	Classification of data			
	12.	Rules of classification and types of classification			
	13.	Geographical classification – Chronological, Classification – qualitative classification			
	14.	Quantitative classification – ON the basis of variables			
	15.	Different forms and components of a continuous classification			
	16.	Problems from different way of classification			
	17.	Tabulation – Meaning and Characteristics			
	18.	Components of a Table and rules of Tabulation			
	19.	Types of table – simple and complex, Primary and Secondary			
	20.	Two way Table – Three way Table – Manifold table			
	21.	Revision work and assessment work			

# Business Mathematics and Statistics

1<sup>st</sup> Year

## Lesson Note /Module

### Unit – I

1. Profit and Loss – Meaning, definition, what is Loss (when C. P. > S. P), Basic terms :- Cost Price, Sales Price  
Loss = CP – SP, What is Profit = SP – CP, Turnover  
Percentage of Profit = Profit/CP x 100 (These are all the basic knowledge)
2. Work out the Profit and Loss with the help of problems, % of profit on C.P and % of Profit on S.P
3. What is Gross Profit and Net Profit ?  
Gross Profit = S.P – Direct Cost  
Net Profit = G.P – Indirect Cost  
Give a proper view to the students regarding G.P, N.P, D.C and I.C
4. Work out problems to find out Profit, Loss, Given S.P and Cost price, Find Profit on C.P Given % of Loss on Cost, Find S.P., Solve problems when percentage of SP and CP are given.
5. Work out problems:  
Given Profit on sales, find Profit on Cost  
Given % Profit on S.P (10% on S.P = Rs. 1,000/-)  
If it is sold at Rs. 800/- find the Amt. of Loss and its % on C.P.
6. Work out problems related to  
Combined Profit and Loss, another problem : -  
Two S.P, one at Profit and another at loss but calculate combined Profit aor Loss when two articles are brought at same price. Solve this: What is the prime cost of an article which is being sold at a gain of  $7\frac{1}{2}\%$  yields, Rs. 4.69 more, If it was sold at a loss of  $12\frac{1}{2}\%$  ?
7. Successive profits – Meaning and explain with example.
8. Dishonest profit – Meaning and solve it with a suitable example.
9. Discount – Meaning – Trade discount, Marked Price, Cash discount and related problems from discount.
10. Two or More discount – Related problems, explain also what is two or more discounts.
11. Work out nearly 4 problems from different chapters.
12. Conduct Performance Test.

### Unit – II

13. Concept of partnership – Introduction and Characteristics
14. Certain terms used in partnership and its rule, Distribution of profit, profit sharing ratio.
15. Types of partnership – simple problems from simple partnership



16. Work out problems on compound partnership explaining the theories and formula.
17. Admission of a new partner and related problems, Retirement of partner, explain and solve problem.
18. Salaries to partner, interest paid to partners on their capital, Profit after salary and interest.
19. Work out different problems from partnership including divisible profit.
20. Performance Test

### Unit – (iii)

21. Concept and definition of logarithm.  
Features, and Characteristics of Logarithm  $\text{Exp} - 3^2 = 9$  so  $\log_3 9 = 2$
22. Properties of Logarithm.
  - (i) The Log of the number 1 to any base is zero
  - (ii) The Log of any quantity to the same base is 1.
  - (iii) The base of a logarithm is something positive other than a zero or one.
  - (iv) The number which the logarithm is required should be positive value other than 1.
    - 1) Law of multiplication
    - 2) Law of division
    - 3) Law of Involution
    - 4) Law of Evolution
23. Laws of Logarithm – Law of multiplication –  
Law of division, Law of Involution and Law of Evolution.
24. Work out problems from Law of Logarithm
25. Change of Base and related problems Explain, what is change of Base with example.
26. Work out problems from change of Base,  
Explain Standard Form with expression.
27. Characteristics – Procedure – What is integral part and what is decimal part. How it is calculated form integral part. Even integral part is O and after decimal 'O' or continuous zeros.
28. Mantissa - How it is calculated from decimal part. How table is used. How mean difference coloum is used.  
Example: Log 0.089678, explain how characteristic is – 3 and mantisa from table 89 Difference Coloum 6 and rest from mean difference colum).
29. Work out problems to find out characteristic and mantissa.
30. Antilogarithms : - Definition – how to use Antilog table, what are the steps.
31. Fundamental operations of Logarithmic Values Addition – Subtraction – multiplication – Division
32. Calculation by logarithms (problems related to value and evaluation).

### Unit IV : Simple and Comput Interest

33. Definition and Types of Interest  
Simple interest – Int. calculation at a certain rate p.a.

34. = Find Principal that earn a desired income.  
= Find rate of interest , for a certain loan .  
= Find the time, when other things are given,
35. Installment payment system  
- To find the average rate of interest under the installment payment system.
36. – Features of compound interest  
- To find out the Amount at the end of a stipulated period  
- To find out the principal of a certain amount
37. To find the Rate of interest and no. of years for which a fund needs to be invested ,  
- To find the amount of interest.
38. Calculation of compound interest with and without the use of Logarithm

### Unit – II (i) Annuity

1. Concept of Annuity – Definition  
Types – On the basis of continuity – 3 types  
On the basis payment - 3 types
2. Explain the students with example:  
Amount – Present value with formula and meaning of each symbol
3. Problematic Aspects of Annuity:  
- To find the future amount or the accumulated amount of an annuities  
(1) when annuity is paid at the end of the year and  
(2) when annuity is paid at the beginning of the year.
4. To find the present value of an annuity (when annuity is certain due immediate)

$$V = \frac{A}{i}(1+i)\{1 - (1+i)^{-n}\}$$

5. To find out present value of deferred annuity

$$V = \frac{A}{i} \left\{ \frac{(1+i)^{n-1}}{(1+i)^{m+1}} \right\}$$

6. To find accumulated amount of Annuity certain due deferred.

$$M = \frac{A}{i} \left\{ \frac{(1+i)^n - 1}{(1+i)^m} \right\}$$

7. Deferred Annuity (when Annuity is due prepaid deferred)

$$V = \frac{A}{i}(1+i) \frac{A}{i} \left\{ \frac{(1+i)^n - 1}{(1+i)^{m+n}} \right\}$$

$$\text{Annuity Perpetual } V = \frac{A}{i} \text{ and } V = (1+i) \frac{A}{i}$$

8. Calculation of Sinking Fund  

$$M = \{(1+i)^n - 1\}$$
9. Problem from Loan and overdraft
10. Revision of some problems
11. Performance assessment

### Unit-II (ii) Discounting of Bill of Exchange

12. Discounting Bill of Exchange – Concept (Definition), its features and Elements  
 (Bill of Exchange, Promissory note, Bill Discounting)
13. Bill Discount – True discount – Bankers discount, Explain them how banks gain created, Explain them giving problem.
14. Present value and Bill Value – Theoretical knowledge about this, explain the difference with problems.
15. Discounted value - Calculate unexpired period, what is days of grace how to find the total discounted period and discounted value.
16. Bill of Exchange – Legal due date, nominal due date, Bill period and due date calculation.
17. Date of maturity of bill, if it is discounted before maturity, what are the calculation about retired value.
18. Discuss it with the students with the help of different type of problems from this chapter.

### Unit – II (iii) Stock and Share

19. Stock and share – Concept and Features. Mathematical operations involved in it, Different types of capital in stock market. (structure of share capital).
20. Types of shares, Stock and difference between stock and share, Debenture.
21. A detail counseling of Cash Value, Stock Value (Market Value, Book Value) what is premium, par and discount.  

$$C.V > S.V, CV = SV, CV < SV$$
  
 Explain the student 5% stock at 110 – Means S.V = ? , CV = ?  
 Dividend percentage ?
22. Brokerage – who is a Broker – duty – Duty in Stock Market (Role) Benefits received – How brokerage increases purchase price and decreases selling price Related problems.
23. Work out different problems in the class on Market value, Cash Value,  
 Exp:- How much stock can be purchased by investing Rs. 2100 in 3 % at 104 , brokerage %
24. Calculation of dividend – Ex-dividend and cum-dividend
25. To find income from stock or investment to find yield. To find better investment among two stocks transfer of stock and change of income.
26. To find sum invested when change of income is given to find quotation price when income is given
27. Investment of a given capital in different stocks and holding (i.e. S.V) in each case.

### Unit-III

1. Statistics – Meaning – in singular sense and plural sense  
Statistical data Vs Methods  
Origin and Growth
2. Definition and Characteristics of statistics as data
3. Statistics as statistical Method  
Stages in statistical investigation.
4. Functions of statistics
5. Scope of statistics
6. Relation of statistics with other fields
  - (a) In human behavior - ask the price of an article
  - (b) To get decisions in different fields of life.
7. Relation in the field of Economics  
Relation in the field of Planning
8. Relation in the field of Business and Commerce and Social Service
9. Relation in the field of Industries  
Relation in the field of Management
10. Relation in the field of Insurance & Banking  
Relation in the field of Physical Science and Natural Science
11. Statistical survey – Meaning and Origin  
Planning in survey and Executing the survey
12. Planning a statistical survey – purpose of survey – collection from correct and dependable source
13. Types of survey – Census and sample, official, semi-official and unofficial, initial and Repetitive, open and confident, Direct and Indirect, Regular and Adhoc, Primary and Secondary.
14. Executing a statistical survey, Discuss the steps.
15. Steps of execution

### Unit – IV

1. Data Collection – what does it mean – what is data – Define the objective and how far it can satisfy what is statistical Unit – how it should be appropriate to enquiry – Degree of accuracy.
2. Collection – Types – External or Internal what is external data and what is internal data. Show the students with the help of chart. Give a detail figure of External data.
3. What is primary and what is secondary data, Give detail information with example.
4. Distinction between primary and secondary data
5. Method of collection primary data  
Direct personal Investigation  
Merits and demerits
6. Indirect oral investigation – How it is different from 1<sup>st</sup> one – its merits and demerits.
7. Through local correspondents – Give them proper example of correspondents – Merits and demerits.

8. Mailed questionnaires method – How useful it is in specific cases – Types of questions (Basically answers in the form of yes or no)  
Merit and Demerit
9. Schedules sent through Enumerators personal touch with Informants through list of questions – Merits and demerits.
10. Methods of Collecting Secondary data sources of secondary data Distinction between Primary and Secondary data
11. Classification of data – Meaning – Characteristics objectives
12. Rules of classification – Basic aspects of different types of classification
13. Geographical classification – Basis of area or place, - Chronological classification – time of their occurrence  
Qualitative classification – Teachers are advised to explain basically the meaning of this
14. Quantitative classification – Classified on the basis of variable – Exp. Marks – No. of students – Different types variables
15. Different forms of continuous classification. Different components of a continuous classification.
16. Revision of classification by the way of discussion.
17. Meaning – Characteristics and objectives of Tabulation
18. Components of a Table –  
Rules of Tabulation.
19. Types of Table – General purpose – specific purpose  
Primary – Secondary – Simple and complex
20. Give Examples of two way table  
Give Example of Three way table  
Give examples of Manifold Table
21. Work out and assess the performance

# Salesmanship

1<sup>st</sup> Year

## Lesson Plan & Progress

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
I	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20.	Meaning and definition of salesmanship Nature of salesmanship Salesmanship is an art. Salesmanship is a science Salesmanship is a profession Importance of salesmanship Scope of salesmanship Types of salesman and salesmanship Types of salesman On the basis of organization On the basis of good sold On the basis of service rendered. Sales personality, its meaning Importance of sales personality Qualities of a good salesman Physical qualities Mental qualities Social character traits Character or moral qualities Improvement of sales personality Revision of the entire unit and clearing doubts Conducting a class room test Total No. of Classes – 20			
II	1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	Product knowledge its importance Selling points its meaning. Difference between selling points and talking points Sources of product knowledge Buying motives; its meaning and character Classification of buying motives Important buying motives Buying motive and selling point Sizing up of customers. Classification of customers and methods to deal with them. On the basis of age and sex			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24.	On the basis of area and purpose On the basis of number and characteristic Selling process meaning and stages Prospecting, meaning, importance & methods Pre approach meaning and objectives Approach meaning and importance Methods of approach by travelling salesman Approach by retail salesman and problems Presentation : Meaning and essentials of a good presentation Demonstration : Meaning significance and features. Types of objections and methods of handling objection Closing the sale Revision of the whole unit Conducting class room test			
III	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17.	Recruitment its meaning and importance Sources of recruitment Recruitment procedure Importance of sound selection Difference between recruitment and selection Selection procedure Training its meaning and objectives Need and importance of training Limitations of training Training Methods : On the job training Off the job training Remuneration and factors affecting remuneration Sound remuneration system & its requisites Methods of remuneration straight salary method Straight Commission Method Salary with Commission Other incentive schemes			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	18. 19. 20.	Comparison among different methods of remuneration Revision of the whole unit and clearing doubts if any Conducting a class room test Total No. of Classes – 20			
<b>IV</b>	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15.	Sales promotion : its meaning objectives and types. Merits and limitations of sales promotion Advertisement its meaning and definition Important functions of advertisement Criticism and limitations of advertising Types of advertising Advertising media Electronic media Outdoor or mural advertising Direct mail and internet advertising Selection of advertisement media Advertising agencies and their role Advertising in to-days world. Revision of the unit Conducting a class room test. Total No. of class – 15			



# Salesmanship

1<sup>st</sup> Year

## Lesson Note / Module

### Unit-I

1. Some standard definitions of salesmanship and essential features of salesmanship like service to consumer, producer and mutual benefits etc., be discussed in detail.
2. What is an art ? How skill, knowledge, imagination and practice play important role in salesmanship.
3. What is science ? How salesmanship needs systematic knowledge and some rules and procedures as a social science be discussed.
4. The meaning of profession, requirements of a professional and professionalism in salesmanship.
5. Importance of salesmanship from consumers point of view, producers point of view, social and economic point of view.
6. Rising scope of personal selling in different service sectors like banking, insurance, transport, health service educational service along with traditional scope in goods sector.
7. Types of salesman and salesmanship - creative salesmanship and competitive salesmanship.
8. Types of salesman - on the basis of organization - manufacturer salesman, wholesalers salesman and retailer salesman.
9. On the basis of goods sold, salesman can be classified as staple salesman, specialty salesman, Capital goods salesman, consumer goods salesman.
10. On the basis of services rendered salesman may be classified as industrial salesman service salesman, house to house salesman, missionary salesman and exporters salesman
11. Sales personality : What is personality ? What are its constituents ? Some practical and real life examples.
12. How personality of a salesman directly affects sale ? Attracts or dispel customers creates new clientele and maintain old ones and help increase the quantum of sale and goodwill of the business.
13. Essential qualities of a good salesman physical, mental, social and moral traits.
14. Physical qualities : sound health good posture impressive look pleasant voice.
15. Mental qualities : Self confidence, alertness, observation, imagination, memory, accuracy and resourcefulness
16. Social qualities : Sociability, courtesy, good manners, co-operation, patience and tolerance.
17. Character of moral qualities: Honesty, Integrity, sincerity, courage, loyalty.
18. Improvement of sales personality : Through proper training, guidance and environment sales personality can be improved. For example regular exercise can improve health, posture and appearance.
19. Revision of the whole unit and clearing of doubts.
20. Conducting class room test from the whole unit.

## Unit – II

1. Types of product knowledge like tangible / intangible qualities of the product with practical examples be explained and their importance from sellers as well as buyers point of view shall be discussed
2. Selling point, with reference to each product or class of products with example be given and difference between selling points and talking points be clarified by giving example.
3. Different sources of product knowledge like personal experience, manufacturers literature libraries, advertisements and consulting seniors. Concepts like 'Sales Bible' 'Sales bulletin' and 'Salesman's Newspaper'. Shall be discussed.
4. Meaning of buying motive, their features and importance from the salesman's point of view along with practical examples.
5. Classification of buying motives like primary & secondary, innate & acquired, rational and emotional, negative and positive, physical and psychological with examples.
6. Important buying motives like pride vanity, jealousy, fear, Love and affection cupidity with suitable examples.
7. Important buying motives such as sex and romance, comfort, economy, fashion, health habit convenience with suitable real life examples.
8. Differences between buying motive and selling points be discussed and how the salesman will link the selling points with buying motives to finalize a deal shall be discussed with practical examples
9. Sizing up of customer : its meaning and different techniques such as character analysis, record analysis and personal experience used for sizing up.
10. Classification of customer and methods to deal with them. Various basis of classification like age, sex, area, purpose number and character be discussed.
11. How to deal with children, youngsters middle aged, male and female customers keeping in view their specific peculiarities.
12. How to deal with urban and rural customers, customer who buy for manufacturing purpose buy for resale and buy for own consumption keeping in view their specific needs.
13. How to deal with individual buyer, group buyers, argumentative, silent, friendly suspicious, talkative customers effectively and efficiently. Recognizing their specific characteristic be discussed with example.
14. The meaning of selling process: Selling as a mental process and different mental stages such as attention, interest, desire, conviction and satisfaction the buyer goes through while buying.
15. What is prospecting ? Importance of prospecting, essentials of a good prospecting technique and different techniques of prospecting like family tree method centre of influence method, canvassing, spotter method, bird- dog method etc., be discussed.
16. What is pre approach and its important objectives like obtaining additional information, designing effective approach strategy, avoiding errors, building confidence etc., be discussed.
17. Like love at first sight the salesman can study a prospect from the first meeting or interview which is called approach. Its importance in the sales process is unique as it can make or mar a deal.
18. Methods of approach by travelling salesman and counter salesman are different. Different methods of gaining interview by a travelling salesman such as personal call without introduction, sending the business card, personal call with introduction, use of 'door openers' use of sales letter etc., shall be discussed with practical examples.

19. Methods of 'approach' by counter / retail salesman like welcoming the customers with a smile, greeting the customer, offering seat showing willing or eagerness to serve avoiding unpleasant questions shall be discussed with example.
20. Presentation refers to arresting the attention of potential buyer towards the product by making beautiful display of the product. Requisites of good presentation like clarity promptness demonstrations and dramatisation of handling of the product etc., be discussed.
21. Demonstration aims at providing proof and illustration as to how the product benefits the errors hence very important in clinching a deal. Essential features of good demonstration like clarity, handling and testing options shall be discussed with examples.
22. Objections by a buyer are common different types of objections their reasons and effective handling of objections by the salesman are to be discussed in detail.
23. Closing is the last stage of selling process. Different methods of closing like – getting a series of positive answer, erecting barriers, narrowing choice, offering inducements, summing selling points be discussed.
24. Revision of the whole unit and clarification of doubts
25. Conducting class room test.

### **Unit-III**

1. Meaning of recruitment as a process of tracing or finding out right person for different job vacancies and importance of a sound recruitment policy.
2. Different sources of recruitment of salesman like internal sources, external sources along with their respective merits and demerits.
3. Different steps in recruitment such as job analysis, personal analysis, searching the source of recruitment, scientific selection and dispatch of appointment letter.
4. Importance of sound selection of sales personalities keeping in view different aspects of organization like, rising income smooth labour management, good employer and employee relationship, less labour turnover etc.,
5. Though 'recruitment' and 'selection' are used interchangeably there are some technical differences between them. While recruitment refers to the process of tracing the sources, selection deals with picking up the right candidates from different sources. The basic differences between the two shall be discussed in detail.
6. Selection procedure or steps involved in selection like preliminary interview, inviting application, conducting selections tests employment interview, checking reference, physical examination and final selection.
7. Training is an act or process by which the aptitude, skill and abilities of the employees are increased for doing a particular job. The main objectives of training of sales personalities be discussed in detail.
8. Why training is needed? Its importance from the organizations point of view and individual salesman's point of view shall be discussed in detail.
9. Limitations of training, though few, like high cost, dislocation in normal business activities, uncertain results possibility of trained staff leaving the organization, cast a shadow on its merits.
10. 'On the Job' training : methods benefits and defects
11. 'Off the Job' training : methods benefits defects.

12. Remuneration is the consideration for services rendered by the employees. Different factors like nature of job, nature of the product, paying ability of the employer, cost of living, demand and supply factor, profitability of the product etc., affect the quantum of remuneration therefore, need detail discussion.
13. A system of remuneration that takes into account the concern of both the parties i.e. the employee and employer is called a sound system or good remuneration plan. Requisites of a good remuneration plan such as simplicity, flexibility, impartiality motivation and stability are to be discussed.
14. Different methods of remuneration – straight salary method – methods of calculation and payment its advantages and disadvantages.
15. Straight Commission method – method of calculation of commission its advantages and disadvantages.
16. Salary with Commission method, method of calculation of remuneration respective merits and demerits of the method.
17. Other incentive schemes like bonus plans, pooled commission, profit sharing promotion incentive along with their respective merits and demerits.
18. Comparison among different methods of remuneration be made to judge their suitability
19. Revision of the unit and clearing doubts if any
20. Conducting a class room test for the whole unit by giving some fundamental questions.

#### **Unit – IV**

1. The meaning of sales promotion along with some important definitions specifically provided by the American Marketing Association be discussed. Important objectives of sales promotion, and different kinds of sales promotion i.e. consumer sales promotion trade sales promotion and sales force promotion shall be identified and discussed.
2. Advantages of sales promotion from point of view of the buyer, seller, producer and the economy as a whole be explained with suitable examples. Few limitations or disadvantages of sales promotion activities like its short-term impact, damage caused to brand image, high cost etc., shall be explained with examples.
3. The meaning of advertising along with some popular definitions be provided to the students. To make the meaning more clear difference between personal selling and advertising, publicity and advertising must be mentioned.
4. Advertising plays a crucial role on the marketing strategy of an organization. Its importance to the manufacture, retailer, consumer and to the society as a whole be identified and discussed.
5. Critic of advertising say it is an evil and an economic waste. It increase the price of the product and make people buy things they don't need and causes frustration as they want things which they can not afford. All the evils of advertising be explained with suitable examples.
6. Different types of advertising such as product advertising, institutional advertising trade, business advertising their respective purpose and usefulness to different stake holders shall be discussed in detail.
7. There are different medium of advertisement 'Print' or 'press media' is one of the most popular medium. Newspapers, magazines, journals, bulletins are the main vehicles of the print media. They have their respective merits and demerits. Their appeal, cost, coverage flexibility are to be evaluated to gauge their efficiency.

8. Electronic Media mainly constitute Radio, TV and Cinema. In modern days TV and Cinema has become the main stay of advertisement. They have both audio as well as visual appeal. The advantages and disadvantages of these audio visual mediums are to be explained in detail.
9. Outdoor or mural advertising constitute advertisement through posters, bill boards, transit advertising (advertisement on buses, trains etc.) electric and electronic displays. Sky advertising (printed balloons) etc., Merits and demerits of all the mediums and their specific uses are to be discussed with examples.
10. Direct mail and Internet advertising are also gaining popularity. They have specific user. Their salient features along with their merits and demerits be explained.
11. Selection of an advertisement media needs analysis of a host of factors : like nature of the product, size of the market, cost, coverage, reach, availability of finance etc. All these factors and their impact be explained fully.
12. Advertising agency its meaning, features, functions, categories, criteria for selection of an advertising agency and process of selections.
13. Globalization and rapid changes in technology has brought in new challenges for the business. The content and methods of advertisement is changing very first. As an important tool of marketing, advertising must be designed to meet the new products, new market, new consumers and new environment. Principles, prescribed by the Advertising standard council of India to make advertising more socially responsible and accountable be explained to the students.
14. Revision of the whole unit and clearing of doubts of the students of any.
15. Conducting class room test.

# Banking and Insurance

1<sup>st</sup> Year

## Lesson Plan & Progress

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
I	1.	Commercial bank An introduction and meaning Definition			
	2.	Features of Commercial Bank			
	3.	Functions of Commercial Bank Primary Functions, Secondary functions			
	4.	Developmental functions. Modern Functions (Net Banking)			
	5.	Role of Commercial Banks in developing economy.			
	6.	Feed back class, Testing the Understanding of the students			
	7.	Types of Commercial Banks.			
	8.	Income statement of a commercial bank. General information relating to Book keeping system.			
	9.	Preparation of Income statement			
	10.	Preparation Balance Sheet.			
	11.	Feed back class Test of understanding of the students			
	12.	Credit Creation. Meaning and definition			
	13.	Credit Creation Process and limitations.			
	14.	Portfolio Management, meaning, components			
	15.	Portfolio Management objectives			
	16.	Loan advancing schemes, classification of loans			
	17.	Principles of good lending			
	18.	Loan Policy			
	19.	Nationalization of Banks, meaning and history in India			
	20.	Aims and objectives of nationalization of Bank			
	21.	Feed back class, Test of understanding of students			
	22.	Written class work.			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
II	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22.	Central Bank, meaning and definition Characteristics and functions of Central Banks. Credit Control function, meaning and objectives Methods of Credit Control Bank rate method Open market method Cash reserve ratio and statutory liquidity ratio. Selective methods. Feed back class Written class work Innovative banking – 1 innovating banking – 2 Merchant banking - meaning and definition Merchant banking – Functions. Consortium approach Credit Cards Debit cum ATM Card Online banking / E-Banking / Telephone banking Internet banking Social responsibility of Banks Feed back class Written class work Practical demonstration of ATM Cards and Operation.			
III	1. 2. 3. 4. 5. 6. 7. 8.	Meaning of Insurance and different views Risk and its classification – Pure risk – Types of pure risk Speculative Risks – Fundamental risk and particular risk Handling of risk – Methods. Insurance – Definition – Functional – Legal Mechanism of Insurance – Features and Characteristics of Insurance Functions of Insurance – Primary and Secondary Basic concepts of insurance – Double Insurance Re-Insurance - Insurance Market			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	9 10. 11. 12. 13. 14. 15. 16. 17.	Insurance contract – Essentials of Insurance Explain with difference Central of Insurance and wagering agreement. Fundamental Principles of insurance – How it depends on mutual understanding – Whether any insurable interest is present or not. Other Fundamental Principles Insurance Act – Application – Prohibition Insurance Act – Submission of Return – Rebates – Commission Insurance Act – Limitation and Licensing Insurance Act - - Investment of assets (13,14,15,16 Classes are for Insurance Act) IRDA Objectives			
<b>IV</b>	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20.	Life Insurance – Elements of Protection – Source of investment – Different from other forms insurance Importance of Life Insurance – Return protected – Future opportunity Life Insurance contract – Provision – Objective. Procedure to follow for life policy. Acceptance of proposal – premium date – Policy Certificate Premium computation as per table Gross premium – Net Premium – Single premium level premium Assumptions regarding computation of rate Features of mortality table Policy conditions Benefits – loans – accident – disability. Claim conditions On the basis of duration – life policies On the basis of No. of life covered Fire Insurance – Concept and Definition Marine Insurance – Fundamental principles of Marine Insurance Types of Marine Policies Fidelity Insurance Corps Insurance and credit insurance Motor Insurance			



# Banking and Insurance

1<sup>st</sup> Year

## Lesson Note /Module

### Unit –I

1. Commercial Bank.  
An introduction – What is banking ?  
- What is Commercial banking ?  
Some standard definitions
2. Features of Commercial banks  
What way is it different from other banks  
Such as Central banks and Co-op banks.
3. Functions of Commercial banks  
Primary functions – Accepting deposits – with Types of deposits – Advancing Loans – with different Types of Loans and advances etc.,  
Secondary functions (a) agency functions (b) general Utility functions.
4. Developmental functions – Mobilization of savings Financial service to rural areas and weaker section. Modern functions – Debit and Credit Cards, ATM, E-banking, Internet Banking etc.,  
- Innovative Banking.
5. Role of Commercial banks – mobilization of savings innovation in different sectors, implementation of monetary policy, influencing interest rates, development of priority sectors, helping on countering regional imbalances, implementation of govt. policies etc.,
6. Test the understanding of the students and clearing doubts of students.  
7 and 8. Types of commercial banks – meaning, advantages and limitations of unit banking, branch banking, chain banking, group banking and universal banking.
9. Income statement of Commercial bank.  
- Income statement – meaning in general and income statement of commercial banks in particular.  
- Information relating to Book keeping –  
- Cash book, Ledger and other registers.
10. Preparation of income statement vide Form 'B'  
- schedule 13 (Interest earned), schedule – 4 (other income), schedule – 15 (Interest expended), schedule – 16 (operating expenses) and RBI instructions.
11. Preparation of Balance sheet – As per the 3<sup>rd</sup> schedule of Banking Regulation Act 1949, Sec – 29, Form A, along with schedule – 1 to 12  
Some of the terms relating to Balance Sheet are to be discussed.
12. Feedback class Test of understanding of the students and clearing doubts.
13. Credit Creation – meaning, definitions.  
- concepts used in the credit creation, such as Bank deposits, cash reserve ratio, credit multiplier etc.,
14. Credit Creation – Process – in single banking system and multiple banking system (with very simple examples) – Limitations of credit creation, which limits the value of credit creation.

15. Portfolio Management – meaning and some definitions to be discussed in order to make students to understand optimum balance between the conflicting objectives of liquidity solvency and profitability.
  - The terms liquidity, solvency and profitability are to be explained in the class.
16. Objectives of portfolio management – it should be discussed in the context of Liquidating and Solvency (Liquidity – Capacity of the bank to make cash available on demand for payment, speaking mostly cash position). And solvency – capacity of the bank to meet liabilities in the Long term).
17. Loan advancing scheme – Classification of loans on the basis of purpose, secured or unsecured, maturity period, mode of repayment etc.,
  - Cash credit, over draft, demand loan, Term loan, Clean loan, Bills discounted and export & import credit etc.,
18. Principals of Good lending. The policy governing for lending of commercial banks is influenced by the factors, such as, - capital position, portfolio consideration, monetary policy, deposits, credit requirement, earning requirement, economic conditions etc.,
19. Discussion on loan policy and its components in brief.
20. Nationalization of Banks – an introduction meaning and Nationalization of Banks in India (an historical perspective)
21. Aims and objectives of Bank nationalization - Effects of Nationalization of banks and its limitations.
22. Feedback class Testing the understanding of students. Clearing doubts if any.
23. Written class work, question and answers and correction of papers.

## **Unit – II**

1. Central Bank
  - Meaning – The way it is different from commercial banks, - Definition – The Central bank of India
  - Give the example of RBI's functions in simple manner.
2. Characteristics and Function.
  - Apex institution, without profit motive, regularly other banks and money circulation and control economy.
  - Functions of Central Bank (RBI) to be explained with examples.
3. Credit control – meaning and objectives, quantitative Technique at credit control a brief discussion.
4. Methods of Credit control
 

General or quantitative method and qualitative method. Bank rate under this method to be elaborated – what is bank rate and how it is different from bank interest – contraction and expansion of credit with the help bank rate. Limitations of Bank rate policy.
5. Methods of Credit control.
 

Open market operation – meaning , definition – assumption and objectives of open market operation. Contraction and expansion of credit though this method. Limitation of open market policy.
6. Cash reserve ratio - Variable cash reserve ratio contraction and expansion of credit through this method. Limitation / difficulties.

7. Selective credit control methods. This is also known as qualitative method – varying margin requirement method, Regulation of consumer's credit Rationing of credit, Moral persuasion and publicity etc., for credit control.
8. Feedback class. Testing the understanding of the students and clearing of their doubts.
9. Written class work questions on different concepts, terms and methods discussed above.
10. Innovative banking  
Different banking under innovative banking such as, retail banking, corporate banking, merchant banking, consortium approach. Internet banking, E-banking, etc., Brief discussion on said concepts of innovative banking with possible examples.
11. More examples of facilities with debit and credit cards (ATM), E-banking / online banking etc. to be discussed in class with practical demonstration of cards difference of Debit and Credit Card, and the precautions in recent times.
12. Merchant Banking – meaning, definitions and origin – with example in case of shares issue / trading – Role of merchant banking.
13. Merchant Banking  
Functions of Merchant banking –(a) service based functions (b) Fund based functions. Service based functions such as project counseling. Credit syndicate, issue management corporate restructuring, port folio management etc., to be discussed briefly.  
Fund based functions – such as, Bill discounting venture capital, factoring, under writing etc.,
14. Consortium approach – The mechanism number of bank jointly finance corporate customers and evaluating jointly a single project – mostly in case of large amount financing. The concept to be discussed with the help of the recent bank frauds.
15. Credit Card facilities / Limitations / Precautions
16. Debit Card cum ATM – Deference between debit and credit card operation.
17. Online banking / E-banking / Telephone banking advantages and limitation / disadvantages.
18. Internet Banking
19. Social responsibilities – Corporate social responsibility – How banks discharge it ? – Examples to be discussed.
20. Feed back class – clearing doubt
21. Written class work – question and answers.
22. Discussion on Practical banking activities and asking the student to assess it in their respective areas and to suggest for more financial inclusion.

### **Unit – III**

1. Risk – Meaning of Insurance for a layman's point of view – In day to day life – Dictionary meaning – Business point of view – views given by different persons and organization.
2. Classification of Risk – financial and non-financial, static and dynamic and their difference – Pure Risk – Types of pure risk
3. Speculative Risks – Difference between pure and speculative Risks – Fundamental risk and particular risk.
4. How to deal (Handle) risks – methods of handling risks.
5. Understand the meaning of insurance – Meaning – Definition – Functional definition.
6. Mechanism of Insurance - Features and Characteristics of Insurance.

7. Functions of Insurance – Primary functions and secondary functions – other functions of Insurance
8. Basic concepts of insurance – Double Insurance – Re-Insurance – Co-Insurance – Insurance Market
9. Insurance contract – Essentials of insurance contract contingent contracts and wagering contracts
10. Difference between contract of insurance and wagering agreement.
11. Fundamental Principles of Insurance – Utmost Good faith, Insurable interest and indemnity.
12. Fundamental Principles of Insurance – Principles of subrogation – Double Insurance – Principles of Proximate cause.
13. Insurance Act – Application – Prohibition - Licensing conditions – Requirements as to capital – Deposits – Investment - Power of investigation.
14. Insurance Act – Submission of Return - Returns by insurers established out side India – Prohibition of Rebates, Restriction of payments by way of commission.
15. Insurance Act – Limitation of expenditure on Commission prohibition of rebates – Licensing of Insurance agents.
16. Insurance Act – Prohibition of loans – Powers of controller regarding returns
17. IRDA (Insurance Regulatory and Development Authority)  
Objectives – Duties and function of IRDA.  
Role of Regulatory and Development Authority  
Impact of IRDA

#### **Unit – IV**

1. Life Insurance – Concept of life insurance – History – Definition of Life Insurance – Elements of protection – Economic nature of Insurance – Meaning of protection. Investment – How life Insurance stands as protection and investment.
2. Importance of life insurance – saving and protection – Benefits and Mortgage – future requirement
3. Life Insurance contract – Major provisions of Life Insurance contract – objectives of Life Insurance.
4. Procedure of effecting a life policy – proposal – medical examination – different prove certificate – Pan card – Aadhar Card.
5. Acceptance of proposal – premium – how and when it is paid – policy certificate – Basic knowledge about insurer and insured.
6. Premium calculation (computation ) – Predetermined rate for different age – Mortality table – specimen of mortality table.
7. Determination of Premium in insurance – Gross premium, Net premium, single premium, level premium steps for calculation of premium.
8. Assumptions underlying the computation of Rate. Methods of Calculation of premium – Value of service – cost of service =
9. Features of mortality table and construction of mortality table – Types of Mortality table
10. Various policy conditions – Risk commencement – Proof of age – Premium related conditions – condition relating to the continue policies – lost or Destruction of policy document.

11. Benefits of getting load - Nominee – double accident benefits – Disability benefits – lapse conditions – Revived of lapse policies – conditions before revival – surrender of policy before maturity and the surrender value.
12. Claim condition – Settlement of claims – options of claim settlement.
13. Types of life Insurance policies – on the basis of duration – whole life – Term insurance – Endowment Insurance – Survivorship Insurance.
14. On the basis of no-of life covered – single life – multiple life policies.  
Difference between Life Insurance and General Insurance  
Insurable Interest in case of Life Insurance, Fire Insurance and Marine Insurance
15. Fire Insurance – concept and definition of fire insurance – Features of fire insurance. Types of Fire Policies
16. Marine Insurance – Concept and definition of marine Insurance – fundamental principles of Marine Insurance – good faith – Insurable Interest – Indemnity – warranties – proximate cause – Assignment.
17. Types of Marine policies – Voyage – Time – Mixed – Valued – Unvalued – Floating – Blanket – Named – Single vessel and Fleet – Block.
18. Fidelity Insurance – concept – Types of Policies – Individual – collective – floating – positions – Blanket – claim settlement procedure.
19. Corps Insurance and Credit Insurance – Concept and meaning of each.
20. Motor Insurance – Need for motor Insurance – items covered in motor insurance – items particularly not covered.

# Fundamental of Entrepreneurship

## 1<sup>st</sup> Year Lesson Plan & Progress

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
I	1.	Introduction of the Topic practical work of an entrepreneur.			
	2.	Social and academic relevance of the topic with examples.			
	3.	Discussion on some known entrepreneurs and how they have brought changes in the quality life style.			
	4.	Asking students to speak on some entrepreneurs they know			
	5.	Meaning and definition (some standard ones) of entrepreneur			
	6.	Entrepreneur and manager. An inventor and innovator. Entrepreneur and Entrapreneur			
	7.	Charm of being an entrepreneur			
	8.	Essential qualities of an entrepreneur			
	9.	Different skills required of an entrepreneur			
	10.	Functions of an entrepreneur			
	11.	Factors affecting entrepreneurial growth. Economic factors with example			
	12.	Non economic factors educational, social and cultural factors with examples. Political factors.			
	13.	Government policies – start ups, subsidies and incentives			
	14.	Types of entrepreneurs-small entrepreneurs.			
	15.	Large entrepreneurs and women entrepreneurs			
	16.	Feedback class / Test of understanding of the students.			
	17.	Class written work (students to write on any entrepreneur they know)			
	18.	Preparation of a report on a possible enterprise in their own place by the students.			
	19.	Question answer (short questions).			
	20.	Class Written work (Long questions)			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
II	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22.	Types of enterprise and meaning of enterprise-Micro, Small, Medium and Large enterprise. Micro enterprise (meaning characteristics, benefit and problem) - with examples Small enterprise (meaning characteristics, benefit and problem) - with examples Medium enterprise (meaning characteristics benefit and problem) - with examples Large enterprise (meaning characteristics benefit and problem) - with examples Differences between small seal and large seal enterprises. Feed back class Specific discussion on Micro, Small and medium enterprise (MSME) Written class work Study on any small enterprises nearby. Entrepreneurial opportunities (social – technical – infrastructural – geographical) Entrepreneurial opportunities economic – material – Govt. policy & support – subsidies and incentives Opportunity analysis (SWOT) Identification of entrepreneurial opportunities Feed back and class work Selection of Enterprise - need and importance Factors affecting the selection of enterprise Steps in the setting-up of an enterprise Preparation of a project report Feedback class. Written class – work (Short questions) Written class – work (Long questions)			
III	1. 2. 3. 4. 5. 6.	Institutional support for entrepreneurs. meaning and introduction to the topic Need for institutional support Areas of support required and support required at different stages Areas of support promotional area and financial area Areas of support technical and marketing area. Human resource development and training support; support of associations and federations.			

Unit	Period	Topic to be covered in the period	Date on which taken	Signature of the Teacher	Remarks
	7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22.	Infrastructural support and other areas of support. Feedback class. Class written work Institutions and their specialized support SIDBI, and SIDO EDI, SISI NSIC, FIEO SFCs (OSFC), IDCO IPICOL, APICOL DICs, SIIC KVIC, RRBs NPC, BIS NABARD, Co-operative societies CII, Chamber of Commerce, Trade Associations. CITD, NIFD Feedback class Class written work. Long questions.			
<b>IV</b>	1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22.	Entrepreneurial Competency an introduction, meaning Meaning of competency in general and Entrepreneurial competency in particular. Major traits of entrepreneur Entrepreneurial competency as per EDI (Ahmedabad) Feedback class Written class work on competency Need for developing entrepreneurial competency How can competency be cultivated ? Self – evaluation of degree of competency among students EDP - an introduction Meaning and need of EDP Objectives of EDP Socio – economic importance of EDP Feedback class Major institution conducting EDP. NIESBUD, NISIET. CITD, CTTC TCOS, EDI RUDSETI Miscellaneous state level and central level Organizations. Feedback class Written class work			



# Fundamental of Entrepreneurship

1<sup>st</sup> Year

## Lesson Note /Module

### Unit – I

1. The entrepreneur – what he does? He visualizes social problems and converts them into profitable opportunities. For which he is to search for opportunities, arrange resources, organize or arrange things to bring output, sells it and earns profit.
2. Examples of social problems such as ‘role of women changes’ – working women do not get sufficient time to prepare food. So the, Fast-food-Industries grew by time. This can be made with the help of explaining students about the factors involved in the process of entrepreneurship.
3. The life history of some known successful small and large entrepreneurs to be discussed in the class. Students are to be asked to add some more examples in the next class.
4. The students are to discuss among themselves the possibility of small enterprises in their neighbourhood.
5. Some standard definitions with its element which would be easy for the students to remember are to be discussed.
6. Entrepreneur vs. Manager. Entrepreneurs vs. inventors.  
Thomas Edison invented Electric bulb in 1878. But who made it possible to be produced and sold in the market? May be phillips company from Holand. Entrepreneur vs Entrapreneur
7. Charms of being an entrepreneur-enjoying the profit, be an employer not an employee etc., So that, the students will be motivated to be entrepreneurs in future.
8. Essential qualities of an entrepreneur-Identify some potential qualities in the students in your class and stimulate them to cultivate the qualities in them. (Through role play)
9. Skills required of an entrepreneur  
Knowledge vs. Skill. Hard Skill competency – soft skill competency are to be discussed. (Refer the points listed in the text book published by CHSE)
10. Functions of an entrepreneur-perception of ideas organization of resources – practical administration – and management control etc.,
11. Factors affecting entrepreneurial growth-Economic factors like Industrial Policy, general economy, (with examples), globalization and liberalization etc.,
12. Non economic factors such as, socio – political (make in India, start ups) cultural factors like change in life style etc.
13. Government Policy – Industrial Policy, subsidies and incentives, EXIM, FEMA etc.,
14. Types of entrepreneur-Basis of classification-Small entrepreneurs (requisites).
15. Large entrepreneurs, women entrepreneurs with specificities.
16. To test the understanding of students-putting conceptual and short questions and asking for role plays.
17. Written work in the class / Answer the questions assigned to the students.
18. To write on some known entrepreneurs with their life history and specialties (U.S.P)
19. Discussion on short questions. Remedial / doubt clearing activity in the class.
20. Written work (Ask the students to write some innovative ideas of new enterprises basing in locally available unused resources).

## Unit – II

1. Types of Enterprises – Meaning of Enterprise-Basis of classification of enterprise. Size, financial requirements, technology involved, use of local raw materials and available workforce, Khadi, Art and Crafts, Traditional or family business etc.,
2. Micro, Small, Medium and Large enterprises.  
Micro Enterprise – meaning – prerequisites – benefits and problems. (S.H.G. Primary societies) (with examples)
3. Small Enterprise – meaning prerequisites - benefits and problems.
4. Medium Enterprise – meaning prerequisites - benefits and problems.
5. Large Enterprise – meaning prerequisites - benefits and problems.
6. Comparative analysis (The thrust should be on small and micro enterprise)
7. To know the understanding of the students by allowing them to ask questions on differences between different enterprises.
8. Specific discussion on Micro and Small enterprises. The focus in class should be on promoting student to go for small enterprises by using locally available resources, such as materials, Labor with traditional skill, infrastructure with Limited financial resources. For example – Agro based products / enterprise, Artisans / Traditional Product/ enterprise, Khadi and Village industries (S.H.Gs to be discussed more in the class)
9. Ask the students to write on some of the local raw materials which can be used to produce some profitable products. Help the students to make a case study.
10. Ask students to make a study of any small or micro or SHG enterprises operating in their neighbourhood.
11. Entrepreneurial opportunities – meaning with examples – Socio cultural opportunities (in our country socio cultural / religious environment provides a potential market for many Traditional small products like earthen pots (Deepa /Kalashi) dress, house holds etc.) Geographical opportunities - product like Wollen and light garments, food, spices etc., - Technical opportunities - products such as small house hold tools and ploughing equipments etc.,
12. Economic opportunities – such as subsidy and financial incentives available for entrepreneurs in rural and backward areas, Govt. policy support opportunities such as E.D.P., infrastructural support like transportation electricity and industrial sheds etc.,
13. Opportunity analysis – In order to convert opportunities into feasible commercial ventures careful SWOT analysis is required. (S – Strength, W-Weakness, O-Opportunities, T- Threat). It consist of two positive factors and two negative factors. Strength and opportunities are positive and weakness and threat are negative. One has to maximize the benefit from two positive factors minimizing the problems from the two negative factors.
14. After due consideration, the entrepreneurial opportunities are to be identified and actions are initiated to start the enterprise. The advantages out of the opportunities to be discussed in the class. Alternative opportunities are also to be listed.
15. Feedback from the students / clearing the doubts.
16. Selection of enterprise – The need and importance of selection is to be discussed. The success of an enterprise depends verymuch on appropriate selection of the enterprise. The points in the text books are to be referred to.
17. Factors affecting the selection is also to be discussed with the limiting factors. The factors such as financial requirement, size/seale of operation, legal formalities, nature and risk of business and Govt. incentives and policy are to be discussed with examples.

18. Process of setting up the enterprise begins here. The steps in the process are to be explained to the students.
19. Preparation of a model project report.
20. Test the understanding of the students and clearing the doubt.
21. Class written work (short questions)
22. Class written work (Long question)

### Unit – III

1. What is the meaning of Institutional support for entrepreneurs ?  
Examples of support-An entrepreneur can not do every thing required for the enterprise himself. Under our industrial policy Government and other agencies extend support in various fields to the entrepreneur. Ask the students to think of any enterprise and imagine what support they need to materialize their project.
2. Need for institutional support.  
The need is mostly for (1) Stimulating activities-where the entrepreneur is motivated and inspired, (2) Supportive activities-such as, knowledge support and support for other resources. (3) Sustaining activities – such as continuous support for sustaining growth and development.
3. Areas of support extended / required-  
The entrepreneur wants support at different stages of his growth such as – (1) Initial phase, (2) Developing phase, (3) Support for growth phase. Examples of life cycle of an enterprise should be discussed in the class so that the students can feel the support required at different stages.
4. Areas of support – Promotional areas – such as information / knowledge support – project identification, report preparation, licensing and commencement of the project etc., - the specialized agencies extending such supports are to be cited.  
Financial areas – Investment requirement, sources and planning etc. (respective institutions for such support are to be cited).
5. Technical and marketing Areas.  
Technical support / consultancy at different stages of the enterprise (agencies for such support are to be discussed.)  
Marketing support through various agencies starting from product designing to presentation and promotion through Trade fairs, exhibitions and order procurement etc., along with the institution with examples.
6. Human resources development and training support.  
Capacity building through skilled and trained personnel done with the support of specialized institutes and MSME institutions are to be discussed.  
Support of associations and federations :-  
Safeguarding the interest of individual units / entrepreneurs through trade associations confederation of industries, Chamber of Commerce. Clusters of small entrepreneurs, SHGs, Societies etc., are to be explained.
7. Infrastructural support – through DICs, IDCs, such as industrial sheds, road, power, transportation and internet etc., and the agencies/ institution extending these supports are to be discussed – Other support areas if any for some specialised enterprise are also to be discussed.
8. Feedback from the students for their understanding and doubt clearing.

9. Asking the students to visualize situations of an entrepreneur in their own areas and his support requirement and to write the specified institution for addressing to their problems (class work)
10. Institutions and their specialized support-  
SIDBI, SIDO (For each, its objective, constitution and support)
11. SDI, SISI (For each, its objective, constitution and support)
12. NSIC, FIEO (For each, its objective, constitution and support)
13. SFCs (OSFC), IDCO (For each, its objective, constitution and support)
14. IPICOL, APICOL (For each, its objective, constitution and support)
15. DIC, SIIC (For each, its objective, constitution and support)
16. KVIC, RRBs (For each, its objective, constitution and support)
17. NPC, BIS (For each, its objective, constitution and support)
18. NABARD, Co-operative Societies (For each, its objective, constitution and support)
19. CII, Chamber of Commerce, Trade associations.
20. Central institute of Tools Design, NIFD
21. Feed back class. Test the understanding of the students and clearing their doubt.
22. Class written work. (Long questions and short questions)

#### **Unit – IV**

1. Entrepreneurial competency, Introduction and Meaning, Components of competency – Knowledge, Skill and Traits.
2. Entrepreneurial competency – The elements such as personal resourcefulness, achievement orientation, strategic vision, opportunity seeking and innovativeness etc. (each element is to be explained with examples).
3. Major Trait of entrepreneur  
- Strong desire to achieve, quality consciousness, calculative risk bearer, goal oriented and analytical in mind, etc., (are to be discussed with examples)
4. Entrepreneurial Competency – As per the research findings of Entrepreneurship Development Institute EDI (Ahmedabad) a list of 15 competencies that contribute to wards the performance of the entrepreneurs are to be explained.
5. Feed back class, students to identify the traits in them and must contribute their ideas to cultivated such traits in them.
6. Written class work on competency. Ask the students to write. How do they link it to performance.
7. Need for developing entrepreneurial competency, mostly to perceive the available opportunity, to respond to changes in the environment and to convert it into profitable / business propositions.
8. How can the entrepreneurial competency be cultivated ? Through constant learning and experiencing-A model comprising of five steps such as, understanding and recognizing – self assessment, practice, application in real life situation and Feed back / result to be discussed.
9. Ask the students to go for self evaluation of degree of competency in them.
10. Entrepreneurship Development Program - an introduction and meaning & definition.

11. Need of EDP (Points discussed in the text book are to be referred)
12. Objectives of EDP - Developing entrepreneurship culture mostly in youths, optimal use of resources, minimizing regional economic disparity and creating employment etc.,
13. Benefits and Socio-economics importance of EDPs : Developing a work culture and culture of self employment in the country, skill development, resource mobilization, improved quality life and advanced products etc., (with examples)
14. Feed back class – Let the students feel the benefit and their role in growth and prosperity of the country through EDPs – clearing doubt.
15. Major institutions conducting EDPs a general discussion.
16. NIESBUD : National Institute for Entrepreneurship and Small Business Development-constitution and place of function.
17. CITD : Central Institute of Tool Design. Place, constitution and function  
CTTC-Central Tool room Training Centre - place, constitution and functions
18. TCOs : Technical Consultancy Organizations - Constitution and areas of consultancy  
EDI : Entrepreneurship Development Institute of India – constitution and functions.
19. RUDSETI : Rural Development and Self Employment Training Institute - Constitution and objectives – mostly specialized EDPs for different products are organized by this institute.
20. Miscellaneous state and central level organization conducting EDPs.
21. Feed back class to test the understanding of the students and clearing their doubts.
22. Written class work. (Long and short questions)



# **CLASS - XII**

