

FOUNDATIONCOURSE – Syllabus

Section A:

Fundamentals of Economics [50marks]

1. Basic Concepts of Economics

- a) The Fundamentals of Economics & Economic Organizations
- b) Utility, Wealth, Production and Capital
- c) Central Problems of an Economy
- d) Production Possibility Curve (or Transformation Curve)
- e) Theory of Demand (meaning, determinants of demand, law of demand, elasticity of demand-price, income and cross elasticity) and Supply(meaning, determinants, law of supply and elasticity of supply)
- f) Equilibrium
- g) Theory of Production (meaning, factors, laws of production-law of variable proportion, laws of returns to scale)
- h) Cost of Production (concept of costs, short- run and long-run costs, average and marginal costs, total, fixed and variable costs)

2. Forms of Market

- (a) Various forms of market-monopoly, perfect competition, on political competition, oligopoly, duopoly
- (b) Pricing strategies in various markets

3. National Income

- (a) Gross National Product

- (b) Net National Product
- (c) Measurement of National Income
- (d) Economic growth and fluctuations
- (e) Consumptions, Savings and Investment

4. Money

- (a) Definition and functions of money
- (b) Quantity theory of money
- (c) Inflation and effect of inflation on production and distribution of wealth
- (d) Control of Inflation
- (e) Money Supply
- (f) Liquidity preference and marginal efficiency
- (g) Rate of Interest and Investment

5. Banking

- (a) Definition
- (b) Functions and utility of Banking
- (c) Principles of Commercial Banking
- (d) Essentials of sound Banking system
- (e) Multiple credit creation
- (f) Functions of Central Bank
- (g) Measures of credit control and Money Market
- (h) National & International Financial Institutions

6. (a) Indian Economy– An overview

Nature, key sectors and their contribution to the economy

- (a) Meaning of an Underdeveloped Economy
- (b) Basic Characteristics of the Indian Economy
- (c) Major Issues of Development
- (d) Natural resources in the process of Economic Development
- (e) Resources- land; forest; water, fisheries, minerals
- (f) Economic development and Environmental Degradation
- (g) Global Climate Change and India

- (h) The role of Industrialization, pattern of Ownership of Industries
Role and Contribution of Industries in Economic development (with special reference to the following industries): Iron and Steel, Cotton and Synthetic Textile, Jute, Sugar, Cement, Paper, Petro chemical, Automobile, IT& ITES, Banking and Insurance

(b)Infrastructure of the Indian Economy

- i. Infrastructure and Economic Development, Private Investment in Infrastructure, Public Private Partnership (PPP) Model in Infrastructure Energy
- ii. Power Sector
- iii. Transport System in India's Economic Development—Railways, Roads, Water, Civil Aviation
- iv. Information Technology (IT) and ITES (Information Technology Enabled Services) including the Communication System in India
- v. Urban Infrastructure
- vi. Science and Technology

Section B – Fundamentals of Management [50marks]

7.

- (a) Management Process – Introduction, planning, organizing, staffing, leading, control, communication, co-ordination.
- (b) Evolution of Management thought– Classical, Neo-classical, Modern

8.

- (a) Concept of Power, Authority, Responsibility, Accountability, Delegation of Authority, Centralization & Decentralization
- (b) Leadership & Motivation – Concept & Theories

9.

- (a) Group Dynamics – concept of group and team, group formation, group cohesiveness
- (b) Management of organizational conflicts - reasons, strategies

10. Decision making – Types of decisions, decision-making process.

Paper 2:

Fundamentals of Accounting (FOA)

Section A: Fundamentals of Financial Accounting [60marks]

1. Accounting Process

- (a) Theoretical Framework (meaning, scope and usefulness of Accounting; Generally Accepted Accounting Principles, Concepts and Conventions)
- (b) Capital and Revenue transactions – capital and revenue expenditures, capital and revenue receipts
- (c) Measurement, Valuation and Accounting estimates
- (d) Double entry system, Books of prime entry, Subsidiary Books
- (e) Recording of Cash and Bank transactions
- (f) Preparation of Ledger Accounts
- (g) Preparation of Trial Balance – interpretation and usefulness
- (h) Rectification of Errors
- (i) Opening entries, Transfer entries, Adjustment entries, Closing entries

2. Reconciliation Statements

- (a) Bank Reconciliation Statement
- (b) Receivables/ Payables Reconciliation Statement

- (c) Stock Reconciliation Statement

3. Accounting for Depreciation

- (a) Depreciation Policy
- (b) Methods, computation and Accounting treatment

4. Preparation of Final Accounts:

- (a) **Of a Profit making concern (for sole proprietorship concern and partnership firm only)**
 - i. Preparation of Trading Account, Profit & Loss Account and Balance Sheet
 - ii. Accounting treatment of bad debts, reserve for bad and doubtful debts, provision for discount on debtors and provision for discount on creditors
- (b) **Of a Not-for-Profit making concern**
 - i. Preparation of Receipts and Payments Account;
 - ii. Preparation of Income and Expenditure Account
 - iii. Preparation of Balance Sheet
- (c) **Under Single Entry System including conversion of single entry into double entry system (basic level)**
 - i. Concept of Single Entry System and preparation of Statement showing Profit and Loss, Statement of Affairs
 - ii. Conversion of Single Entry System into Double Entry System of Accounting

5. Accounting for Special Transactions

- (a) Bills of Exchange
- (b) Consignment
- (c) Joint Venture
- (d) Sale of goods on approval or return basis

Section B:

Fundamentals of Cost & Management Accounting [40 marks]

6. Fundamentals of Cost Accounting

- (a) Cost and Management Accounting – Generally Accepted Cost Accounting Principles
- (b) Accounting for Material cost (including Accounting of Inventory–LIFO, FIFO, Weighted Average Cost)
- (c) Accounting for Labour costs, Direct Expenses and Overheads

7. Preparation of Cost Statements

- (a) Cost Data collection, Cost Sheet formats,
- (b) Preparation of Cost Sheets(historical cost sheets and estimated cost sheets)

8. Fundamentals of Management Accounting

- (a) Marginal Costing and Break- even analysis– basic knowledge
- (b) Application of Marginal Costing for decision-making

Paper 3:

Fundamentals of Laws and Ethics (FLE)

Section A: Fundamentals of Commercial Laws [70 marks]

1. Laws of Contracts

- (a) Essential elements of a contract, offer and acceptance
- (b) Void and voidable agreements
- (c) Consideration, legality of object and consideration
- (d) Capacity of Parties, free consent
- (e) Quasi- contracts, contingent contracts, termination or discharge of contracts

2. Laws relating to Sale of Goods

- (a) Definition
- (b) Transfer of ownership
- (c) Performance of the Contract of Sale

3. Negotiable Instruments Act, 1881

- (a) Definition
- (b) Acceptance and negotiation
- (c) Rights and liabilities of Parties
- (d) Dishonour of a Negotiable Instrument
- (e) Hundis
- (f) Bankers and Customers

4. Indian Partnership Act, 1932

- (a) Nature of Partnership
- (b) Rights and liabilities of Partners
- (c) Dissolution of Firms

Section B: Fundamentals of Industrial Laws [20marks]

5. Factories Act, 1948

- (a) Objective, Scope
- (b) Applicability of Factories Act, 1948

6. Payment of Wages Act, 1936 and Minimum Wages Act, 1948

- (a) Objective, Scope
- (b) Applicability of Payment of Wages Act, 1936 and Minimum Wages Act, 1948

7. The Employees' State Insurance Act, 1948

- a) Objective, scope
- b) Applicability of ESI Act, 1948

8. The Child Labour (Prohibition and Regulation) Act, 1986

- a) Objective Scope
- b) Applicability of The Child Labour (Prohibition and Regulation) Act, 1986

Section C: Fundamentals of Ethics [10 marks]

9. Ethics and Business

- (a) Ethics – meaning, importance
- (b) The “Seven Principles of Public Life”– selflessness, integrity, objectivity, accountability, openness, honesty and leadership
- (c) The relationship between Ethics and Law

Paper 4:

Fundamentals of Business Mathematics and Statistics (FBMS)

Section A: Fundamentals of Business Mathematics [40 marks]

1. Arithmetic

- a) Ratios and Proportions
- b) Simple and Compound interest including application of Annuity
- c) Bill Discounting and Average Due Date
- d) Mathematical reasoning – basic application

2. Algebra

- a) Set Theory and simple application of Venn Diagram
- b) Variation, Indices, Logarithms
- c) Permutation and Combinations – basic concepts
- d) Linear Simultaneous Equations (3 variables only)
- e) Quadratic Equations
- f) Solution of Linear inequalities (by geometric method only)
- g) Determinants and Matrices

3. Calculus

- (a) Constant and variables, Functions, Limit & Continuity
- (b) Differentiability & Differentiation, Partial Differentiation
- (c) Derivatives – First order and Second order Derivatives
- (d) Maxima & Minima – without constraints and with constraints using Lagrange transform
- (e) Indefinite Integrals: as primitives, integration by substitution, integration by parts
- (f) Definite Integrals: evaluation of standard integrals, area under curve

Section B: Fundamentals of Business Statistics [60 marks]

4. Statistical Representation of Data

- a) Diagrammatic representation of data
- b) Frequency distribution
- c) Graphical representation of Frequency Distribution – Histogram, Frequency
- d) Polygon, O give, Pie-chart

5. Measures of Central Tendency and Dispersion

- a) Mean, Median, Mode, Mean Deviation
- b) Quartiles and Quartile Deviation
- c) Standard Deviation
- d) Co-efficient of Variation, Coefficient of Quartile Deviation

6. Correlation and Regression

- a) Scatter diagram
- b) Karl Pearson's Coefficient of Correlation
- c) Rank Correlation
- d) Regression lines, Regression equations, Regression coefficients

7. Index Numbers

- a) Uses of Index Numbers
- b) Problems involved in construction of Index Numbers
- c) Methods of construction of Index Numbers

8. Time Series Analysis –basic application including Moving Average

- a) Moving Average Method

b) Method of Least Squares

9. Probability

- a) Independent and dependent events; Mutually exclusive events
- b) Total and Compound Probability; Baye's theorem; Mathematical Expectation

10. Theoretical Distribution

- a) Binomial Distribution , Poisson Distribution – basic application
- b) Normal Distribution – basic application

Vidyadhan Academy Pvt. Ltd.

DE-85, 2nd Floor, Opp. Metro Pillar No. 422, Tagore Garden, Delhi-27

Contact: +91-11-434-644-08, enquiry@vidyadhan.net, www.vidyadhan.net