NATIONAL UNIVERSITY

Second Year Syllabus
Department of Finance & Banking

Four-Year B.B.A. (Honours) Course
Effective from the Session : 2013–2014

National University

Subject: Finance & Banking

Syllabus for Four Year BBA Honours Course
Effective from the Session: 2013-2014

Year-wise Papers and marks distribution.

Second Year

Paper Code	Paper Title	Marks	Credits
222401	Business Statistics	100	4
222403	Macro Economics	100	4
222405	Business Mathematics	100	4
222407	Law and Practices of Banking and Insurance	100	4
222409	Computer and Information Technology	100	4
222411	Legal Aspects of Business	100	4
222413	Business Communication and Report Writing	100	4
	Total =	700	28

Detailed Syllabus

Paper Code: 222401	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	Business Statistics		

1. **Introduction**: Meaning and Concepts; Nature; Scope; Nature/characteristics of Statistical Data; Classification; Tabulation; Frequency Distribution; Graphical Presentation of Data.

2. **Measures of Central Tendency**: Meaning and concepts; Arithmetic Mean; Geometric Mean; Harmonic Mean; Weighted Arithmetic Mean; Mode; Median; Quartiles; Deciles; Percentiles; Properties of a Good Average; Empirical Relation Among the Averages.

3. **Measures of Dispersion**: Significance of Measuring Dispersion; Properties of A Good Average Dispersion; Range-Inter-Quartile Range and quartile Deviation; Mean Deviation; Standard Deviation; Co-efficient of, Variations and Their Application.

4. **Moments, Skewness and Kurtosis**: Concepts; Moments from Arbitrary Value; Moments from Mean; Relation between Moments; Measures of Skewness and its Uses, Measures of Kurtosis and Its Application.

5. **Correlation Analysis**: Meaning and concept; Significance of the Study of Correlation and Causation; Types of Correlation; Scatter Diagram Method; Karl Pearson's Co-efficient of Correlation; Rank Correlation Co-efficient.

6. **Regression Analysis**: Concept; Difference between Correlation and Regression Analysis; Simple Regression Lines; Regression Equation; Regression Co-efficient.

7. **Probability**: Meaning of Probability, Elements of Set Theory; Sample Space; Events; Theorems of Total and Compound Probability; Conditional Probability and Statistical Independence; Expected value of Random Variable.

8. **Index Number**: Price Index; Quantity Index; Value Index; Cost of Living Index Numbers; Chain index Numbers; Base Shifting-Splicing and Deflating the Index; Test of Index Numbers; Limitation and Uses.

9. **Sampling Distribution**: Student's Distribution; Chi-square Distribution; Fisher's Z-Distribution; F-Distribution; Their Properties and Uses.

10. **Test of Hypothesis**: Procedure of Testing Hypothesis; Null Hypothesis–Alternative Hypothesis-Type I and Type II Errors; Level of Significance; Degree of Freedom; One-Tailed and Two-Tailed Tests; Power of Test; Tests About Mean; Tests about the Difference between Two Means; Tests about the Difference between Two Means with Dependent Samples; Tests about the Correlation Coefficient; Tests of Equality of Two Variances; Testing for Equality of Several Means; Test of Independence; Test of Goodness of Fit.

11. **Analysis of Variance**: Assumption in Analysis of Variance; Computation of Analysis of Variance; One way and two ways Classification.

Books Recommended:
1. S.P. Gupta and M.P. Gupta   : *Business Statistics*

2. Levin & Lubin : *Modern Business Statistics*
3. Spiegel M.R. : *Statistics-Schaum's Outline Series*

Paper Code: 222403	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	Macro Economics		

1. **Overview of Macroeconomics**: Key concepts of macroeconomics - Aggregate supply and demand, aggregate output and prices, Production and income, Unemployment rate, inflation rate etc.

2. **Measuring economic activity**: Yardstick of an economy's performance - Gross domestic product, Gross national product, the national accounts - balance of trade, balance of payments, foreign reserve and currency accounts.

3. **The short run**: Goods market, composition of GDP, the demand for goods, determination of equilibrium output, investment and savings, financial market, monetary policy, demand for money, determination of interest rate, goods market and lS relation, Financial Market and LM relation, IS-LM model.

4. **The medium run**: The labor market, movements in unemployment, wage determination, price determination, the natural rate of unemployment, business cycle theories, the AS-AD model, equilibrium in the short run and medium run, the effects of a monetary expansion, the natural rate of unemployment and the Phillips curve; inflation, activity and nominal money growth etc.

5. **The long run**: The factors of economic growth; saving, capital accumulation and output, technological progress and growth, the relationship of technological progress with wages and unemployment etc.

6. **Economic growth and stability**: Theories of economic growth, patterns of growth in developing countries, alternative models for development, price stability and inflation, impact of inflation, modern inflation theory, dilemmas of anti-inflation policy, economic consequences of government debt, theories and practices of fiscal policies, economic prospect for Bangladesh.

Books Recommended:

1. N. Gregory Mankiw : *Principles of Macroeconomics*

2. Abel, Andrew B., Ben S. Bernanke : *Macroeconomics*
   and Dean Croushore

Paper Code: 222405	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	Business Mathematics		

1. **Number System**: Introduction, Prime, Rational and Irrational number, even and odd numbers and their properties. Imaginary and complex numbers; sequence, series, Divergence of a sequence, sigma notation, Sum of natural numbers.

2. **Indices and Logarithms**: Indices, laws of indices, positive and fractional indices, operation with power functions. Introduction, Laws of operations, use of logarithm tables, Anti-logarithm, Exponential series, logarithmic series.

3. **Theory of Sets**: Different types of sets, union, difference intersection, Cartesian products, Venn diagram, Application in business problems.

4. **The Straight Lines & Linear Equations**: Different forms of Equations-Parallel and perpendicular form of Equations-Point of intersection of lines-Interpretation of Slope of different business problems and Marginal Concept analysis, Solution of linear equations, solution of simultaneous linear equations.

5. **Quadratic Equations**: Relationship between roots+- and coefficients of a quadratic equation, Nature of roots, Solution of quadratic equations, formation of quadratic equations with given roots. Curve sketching of different linear and non linear equations.

6. **Permutations and Combinations**: Fundamental principles of permutations, permutations of things, all different and things, not all different, repeated and circular permutations. Combinations, relationship between permutation and combinations.

7. **Progression**: Introduction, Sum of Series in AP and GP, Use of concept of progression to find the present value and future value, Business problem solution.

8. **Mathematics of Finance**: Introduction, Annuities, Sinking Fund, Discount, Compound interest, Simple interest, Amortization.

9. **Matrices & Determinants**: Introduction, Types of matrices, operation on matrices. Solution of simultaneous linear equations. Introduction, properties of determinants, operations on determinants. Expansions of determinants Sarrus diagram and Crammers rule and use in business. Leontiff input-output model analysis. Application to business problem.

10. **Differentiation, Integration & Use in Business**: Differentiation of Algebraic functions, transcendental function. Definition of transcendental functions-Geometric interruption of dy/dx and marginal concept analysis. Introduction, Different rules of integration. Indefinite and Definite integral. Determination of maxima and minima of different functions using differentiation rules. Business problem solution. Conditions of maxima and minima, Test for maxima and minima. Point of inflexion.

Books Recommended :
1. Zameer Uddin, Kazi   : *Business Mathematics*
2. Sanchetti & Kapoor   : *Business Mathematics*
3. Rafiqul Islam, Md   : *Business Mathematics*

Paper Code: 222407	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	Law And Practices of Banking And Insurance		

1. **Financial system of Bangladesh** : Formal Sector (Banks, NBFIs, Insurance Companies, Capital Market Intermediaries; Micro Finance Institutions (MFIs)., Semi-Formal Sector (specialized Financial Institutions), Non Governmental Organizations (NGOs and discrete

government programs), Informal sector (private intermediaries which are completely unregulated)

2. **Relationship between Banker and Customer**: Definition of Banking and customer. General relationship between banker and customer. Obligations of a banker, Garnishee order, Bankers right.

3. **Customer's accounts with the Banker**: Types of deposit accounts, closing of a bank account, insurance of bank deposit, Facility of nomination, legal status of the nominee.

4. **Negotiable Instruments**: Definition of negotiable instruments, Essential features of negotiable instruments, holder and holder in due Paper, payment in due Paper, holder for value.

5. **Bills of exchange and Promissory Notes**: Kinds of bills of exchange, presentment of negotiable instruments and acceptance, dishonour of negotiable instruments, drawee in case of need, acceptance and payment for honour.

6. **The Liquid Assets**: Significance of liquidity in banking, cash balance, statutory cash reserve with the central bank, balance with other banks, money at call and short notice.

7. **Loans and Advances**: Principles of sound lending, creditworthiness of borrowers, factors limiting the level of a banks's advances, consortium advances.

8. **Letters of Credit and Guarantees**: Definition of letters of credit, types of letters of credit, opening of letters of credit, uniform customs and practice for documentary credits. Liability of the surety, rights of surety.

9. **E-banking**: Electronic payment systems and electronic banking, ATMs, EFT, online banking, internet banking, PC banking, home banking, any branch banking, SMS banking, Mobile banking, SWIFT, data communication network,

10. **History and Development of Insurance**: Origin, history and development of insurance, development in Bangladesh: risk management-elimination and spreading of risk.

11. **Insurance Contract and Functions of Insurance**: Law of contract, the contract of insurance, insurance and wagering, assignment, the functions of insurance, specific functions, general functions.

12. **Principles of Insurance**: Principle of utmost good faith: the doctrine-representations and warranties, application of the doctrine in underwriting and claims-breaches of the duty-void, voidable and unenforceable contracts. Principle of insurable interest, principle of indemnity, principle of subrogation, principle of proximate cause

13. **Reinsurance**: Definition of reinsurance, reasons for reinsurance, types of reinsurance, application of reinsurance to various branches of insurance, certain legal considerations and hazard in insurance.

Books Recommended:
1. P.N. Varshney, H.C. Sarkar : *Banking Law and Practice*
2. Azizul Huq Chowhdury : *Elements of Insurance, Bangladesh Insurance Academy*

Paper Code: 222409	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	Computer And Information Technology		

Overview; Input Hardware; Processing Hardware; Storage Hardware; Output Hardware; Software: Software development and programming language; Communications and connectivity; Systems Development; Database Management; Information Management; Ethics, Privacy and Security.

Books Recommended:

1. Hutchinson & Sayers   : *Computer & Information System*
2. Norton Peter   : Introduction to Computers, 5th Edition, Boston McGraw Hill Technology Education, 2003
3. O'Leary and O'Leary   : Computing Essentials

Paper Code: 222411	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	Legal Aspects of Business		

1. **Law and legal system**: Definition of law and legal environment, why study business law, nature of law and legal theory, components of legal system, types of legal system task of legal system, classification of law.

2. **Law of contract**: Essential elements of contract, offer and acceptance, consideration, void and voidable agreement, free consent, capacity of parties, termination of contract, law of agency.

3. **The law relating sale of goods**: Definitions, transfer of ownership, performance of the contract of the sale.

4. **Laws relating to carriage of goods**: Carriage of goods by sea, carriage of goods by road, carriage of goods by rail, carriage of goods by air.

5. **Law of partnership**: Nature of partnership, Rights and liabilities of partners, dissolution of firms.

6. **Law relating Negotiable Instrument**: Acceptance and negotiation, rights and liabilities of parties, dishonor of negotiable instrument, hundis.

7. **Company Law**: Definition of company, feature and classification of companies, formation of company, memorandum, articles of association, commencement of business, management and winding up of company.

8. **Industrial Law**: The Bangladesh Labour act 2006.

Books Recommended:

1. Sen, Arun Kumar & Mitra Kitendra Kumar   : *Commercial Law and Industrial Law,* The World Press Private Ltd., 1998
2. Khan A.A.   : *Bangladesh Labor and Industrial Law,* Pravati Prakashani, Dhaka, 2002

3. Henry Cheeseman R   :   *Business Law Legal, Ethical and International Environment*, Prentice Hall Inc., New Jersey, 1992

Paper Code: 222413	Marks: 100	Credits: 4	Class Hours: 60
Paper Title:	**Business Communication And Report Writing**		

Introduction to communication, Types of communication, Written communication, Major media of written communication, oral communication, Major media of oral, communication, Non-verbal communication, Internal communication, Effective meeting, Information age and the Use of computers in business communication, Audio-visual Aids in communication, Office Memos, Business Reports, Short essay writing on topics relating to business world, Common business abbreviations and acronyms, Meaning and use of commercial terms, Comprehension and precise writing, Art of addressing meeting and conferences, Receiving, Dispatching, filling industrial & business documents and office papers.

Books Recommended :

1. Raymond V. Lesiker   :   *Basic Business Communication*

2. A.C. "Buddy" Krizan, Patricia   :   *Business Communication*
   Merrier, Joyce P. Logan
   Karen Schneiter Williams.