

काशी हिन्दू
विश्वविद्यालय



BANARAS HINDU
UNIVERSITY

An Institution of National Importance Established by The BANARAS HINDU UNIVERSITY ACT XVI of 1915

Course Structure of

Diploma in Microfinance & Entrepreneurship

**Under Career Oriented Courses of
UNIVERSITY GRANTS COMMISSION**

Offered by

FACULTY OF MANAGEMENT STUDIES



Course Structure

One year Diploma in Microfinance & Entrepreneurship

Course Code	Semester I	Credits	Marks-100 (External/ Internal)
DME 101	Management Principles and Values	03	70/30
DME 102	Basics of Microfinance	03	70/30
DME 103	Managerial Economics	03	70/30
DME 104	Business Studies and Communication	03	70/30
DME 105	Minor Project/ Entrepreneurial Lab	08	100
	Semester II		
DME 201	Business Environment and Financial Inclusion	03	70/30
DME 202	Entrepreneurship Development and Research	03	70/30
DME 203	Financial Management	03	70/30
DME 204	Microfinance and Development	03	70/30
DME 205	Dissertation/ Viva-Voce	08	100
	Total	40	1000

Minimum credit requirements for the Career Oriented Diploma = 40 credits

Note: Examination in each paper shall have two components – End semester Theory Paper carrying a maximum of 70 marks and sessionals carrying a maximum of 30 marks. The pattern of end semester Theory examination in each paper is given after the detailed course contents of each paper.

SEMESTER I

DME 101 : MANAGEMENT PRINCIPLES AND VALUES

COURSE OBJECTIVE : This course intends to develop the basic awareness of management functions and various dimensions of organizational life. It also attempts to provide exposure of the ethical dilemma in management practices.

COURSE STRUCTURE:

- **Concept of Management:** Its nature, scope and purpose. Managing Science or Art. Management Vs Administration, Skills of a Manager. Organization and its pervasiveness. Reasons for organizations. Significance of Goals in Organizations.
- **Evolution of Management Thought:** Scientific Management. Frederick W.Taylor. Contributions and Limitations of Scientific Management Theory. Classical Organisation Theory. Contributions and Limitations of Classical Organisation Theory. Henry Fayol's Principles of Management, Human Relations Movement: The Hawthorne Experiments. Concept of System and Systems Approach. Organizations as Socio-technical systems. The contingency approach to Management.
- **Organisation Structure:** Formal and Informal organisations. Forms of formal organisation structures. Line and staff organisation. Functional Organisation. Product/Market Organisation. Project organisation and Matrix organisation. Benefits and Cost of Informal Organisations.
- **Decision-Making:** Phases of Decision-Making. Problem Discovery. Problem Definition. Goal Setting. Developing Alternatives, Evaluating alternative and Making choices, Nature of Managerial Decision-making. Certainty, Risk and Uncertainty. Rationality, Behavioural and Emotional Barriers to Decision-Making. Dealing with barriers to Decision-Making. Group as Decision- maker. Individual Vs. Group Decision-making.
- **Management Process:** Plans and Decision Making. Basic Steps in Planning. Operational Plans. Single use Plans. (Policies, Strategies) and standing plans (Projects, Programs, Budgets). Forecasting.
- **Organizing:** Division of work. Job Specialization. Span of Management Organisation Chart. Coordination. Approaches to achieving effective coordination. Selecting the appropriate coordination mechanism. Delegating and Decentralisation. Concept and significance of delegation. Delegation, Authority, Accountability and Responsibility. Classical guidelines for delegation and its limitations. Effective Delegation. Factors influencing Decentralisation. Centralisation Vs. Decentralisation.
- **Communication:** Importance of Communication. The Communication Process - Channels of Communications. Formal and Informal barriers to Effective Communication. Overcoming Barriers to interpersonal communication. Communication in Organization. Factors influencing organisation communications. Communication network within the organizations: Vertical, horizontal, diagonal and informal. Overcoming organizational barriers to communication.
- **Controlling :** The meaning of control. Steps in Control Process. Importance of Control. Types of Control Methods. Sources of Control. Design of the Control Process. Characteristics of effective Control System.
- **Values in Management:** Transnational environment and perspectives of business. Quality of work life ("QWL). Japanese Management Techniques. Search for Excellence. Human Values In Management: Indian perspectives. Values for Managers. Ethical dilemma In Management. Indian versus Western concepts of ethics and values, contextual ethics. Self-development and lessons from Ancient Indian Traditions.

REFERENCES:

1. James F.Stoner, et al. : Management
2. V.S.P.Rao & P.S.Narayana: Organisations Theory
3. Katz & Kunn : Social Psychology of Organizations
4. Rajiva Malhotra: Being Different
5. Herbert G.Hicks : The Management of Organisations
6. Hugh J Arnold & Daniel E.Feldm : Organizational Behaviour

PATTERN OF EXAMINATION :

	Marks
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

COURSE OBJECTIVE: This course intends to develop the basic awareness of Microfinance and its various dimensions. It also attempts to provide exposure of the SHGs and Governmental support.

COURSE STRUCTURE:

- ✓ **History of Microfinance:** Introduction, history of Microfinance, Worldwide developments, Microfinance in Asia and Pacific.
- ✓ **Status of Microfinance in India:** Introduction, History of Microfinance in India, Recommendations of various committees, Status of Microfinance in India, Outreach of Microfinance, Potential of Microfinance in India, Banking potential for Microfinance in India.
- ✓ **Government and Microfinance:** Introduction, SHGs and different schemes, SHG and Poverty Alleviation Programs, SHG and Special Programs/ Schemes.
- ✓ **Importance of SHGs:** Introduction, Benefit of SHGs to members, Benefits to women, Benefits to Banks, Benefits to Government, Benefits to Voluntary Agencies and Benefits to Society.

REFERENCES:

1. Branch, Brian & Janette Klaehn. Striking the Balance in Microfinance: A Practical Guide to Mobilizing Savings. PACT Publications, Washington, 2002.
2. Dowla, Asif & Dipal Barua. The Poor Always Pay Back: The Grameen II Story. Kumarian Press Inc., Bloomfield, Connecticut, 2006.
3. Hirschland, Madeline (ed.) Savings Services for the Poor: An Operational Guide. Kumarian Press Inc., Bloomfield CT, 2005.
4. Ledgerwood, Joanna and Victoria White. Transforming Microfinance Institutions: Providing Full Financial Services to the Poor. World Bank, 2006.
5. Rutherford, Stuart. The Poor and Their Money. Oxford University Press, Delhi, 2000.

PATTERN OF EXAMINATION :

	<u>Marks</u>
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

DME 103: MANAGERIAL ECONOMICS

COURSE OBJECTIVE : The basic objective of this course is to make the students aware of the various economic issues that they are expected to face as managers at the firm level and to equip them with the tools and techniques of economic analysis for improving their decision-making skills.

COURSE STRUCTURE:

- ➔ **Nature and Scope of Economics:** Micro Economics and Macro Economics. Managerial Economics and its relevance in business decisions. Fundamental Principles of Managerial Economics - Incremental Principle, Marginal Principle, Opportunity Cost Principle, Discounting Principle, Concept of Time Perspective. Equi-Marginal Principle.
- ➔ **Demand Analysis and Demand Forecasting:** Theory of Demand. Types of Demand and their characteristics. Utility Analysis. Cardinal Utility and Ordinal Utility. Elasticity of Demand and its measurement. Price Elasticity. Income Elasticity. Arc Elasticity. Cross Elasticity and Advertising Elasticity. Estimation of Revenue. Average Revenue. Marginal Revenue and Elasticity of Demand. Techniques of Demand Forecasting.
- ➔ **Indifference Curve Analysis:** Concept and Properties of Indifference Curves. Income Effect. Substitution Effect and Price Effect. Income Consumption Curve and Price Consumption Curve. Derivation of Demand Curve. Superiority of Indifference Curve Analysis over Utility Analysis.
- ➔ **Cost Analysis:** Concept of Cost and Cost Classification. Accounting Cost and Economic Cost. Law of Variable proportions - Increasing, Decreasing and Constant Returns. Cost output relationship in the short-run. Cost output relationship in the Long-run, Production Functions. ISO-Cost Curves and their significance in cost analysis. Economies of Scale. Least Cost Combination Concept.
- ➔ **Market Structure and Product Pricing:** Perfect and Imperfect Market Structures. Conditions of Perfect Competition. Price of a Product under demand and supply forces. Equilibrium Price. Price behaviour and time element. Market Price and Normal Price. Pricing under Perfect Competition. Prices under short-run and Long-run. Pricing under Monopoly and Monopolistic Competition. Pricing under Oligopoly. Kinked Demand Curve. Discriminating Prices.
- ➔ **Factor Pricing:** Pricing of labour as a factor of production. Marginal productivity theory of factor pricing.
- ➔ **National Income:** Definition of national income. Product and money flows. Measurement of National Income – Net output or value method. Factor Income method. Expenditure method. Choice of Methods. Growth and composition of India's National Income.

REFERENCES:

1. Peterson & Lewis : Managerial Economics
2. Haynes, Mote & Paul : Managerial Economics
3. Laidler : Introduction to Micro Economics
4. Warren Haynes : Managerial Economics
5. Joel Dean : Managerial Economics
6. Varshney R.L. & Maheshwari : Managerial Economics
7. Dewett : Modern Economic Theory
8. Diwedi D.N. : Managerial Economics
9. Gupta G.S. : Managerial Economics
10. Gupta G.S. : Macro Economics – Theory and Applications

PATTERN OF EXAMINATION :

	<u>Marks</u>
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

COURSE OBJECTIVE: The basic objective of this course is to make the students aware of the various functional aspects of management. The course would also provide an outline to the basics of communication and its utility in management.

COURSE STRUCTURE:

- ✓ **Business Accounting and Finance:** Financial Accounting-concept. Importance and scope, accounting principles, journal ledger, trial balance, depreciation. Preparation of final accounts with adjustments. Analysis and interpretation of financial statements – meaning, importance and techniques. Ratio analysis. Financial management-scope finance functions and its organization, objectives of financial management; time value of money.
- ✓ **Concepts of Marketing Management:** Nature and scope of marketing; corporate orientation towards marketplace; building and delivering customer value and satisfaction; retaining customers; 4 P's of marketing. Marketing environment; marketing research and information system.
- ✓ **Organizational Behavior:** Foundation and background of OB, contemporary challenges-workforce diversity, cross – cultural dynamics, changing nature of managerial work, Emotional intelligence in contemporary business. Perception, Personality, Learning, Motivation – Concepts and applications. Difference anxiety- anxiety from above and below.
- ✓ **Human Resource Management:** Strategic importance HRM; objectives of HRM; challenges to HR professionals; Human Resource Planning - objectives and process; Basics of recruitment, training and selection.
- ✓ **Operations Management:** Introduction operations management and supply chain management; cross-functional and inter-organizational linkages in operations and SCM; operations and supply chain strategies; business process; defining quality; Importance of operations management in microfinance.
- ✓ **Basics of Business Communication:** Purpose and process of communication; myths and realities of communication; oral communication; noise, barriers to communication; listening process, essentials of good listening; telephonic communication.
- ✓ **Presentation Skills:** Presentation skills; prerequisites of effective presentation, format of presentation; Communication skills for group discussion and interviews.
- ✓ **Written Communication:** Written communication; mechanics of writing, report writing, circulars, notices, memos, agenda and minutes; business correspondence-business letter format, style of letter arrangement, types of letters, electronic mail.

REFERENCES:

1. Pandey, I.M. Management Accounting, Vikas Publishing House, New Delhi.
2. Mahadevan, B.; Operations Management – Theory and Practice; Pearson Education; New Delhi.
3. Krajewski Lee J. & Ritzman, Larry, P.; Operations Management- Processes and Value Chains; Pearson Education, N.D.
4. Kaul, Asha, Business Communication, PHI, New Delhi.
5. McGrath, E.H., Basic Managerial Skills for All, PHI, New Delhi
6. Malhotra, Rajiv; Being Different, Harper Collins Publishers India, New Delhi.

PATTERN OF EXAMINATION :

	<u>Marks</u>
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

DME 105: **Minor Project / Entrepreneurial Lab**

SEMESTER II

DME 201: BUSINESS ENVIRONMENT AND FINANCIAL INCLUSION

COURSE OBJECTIVE: The basic objective of this course is to make the students aware of the various functional aspects of management. The course would also provide an outline to the basics of communication and its utility in management.

COURSE STRUCTURE:

- ✓ **Business Environment:** Introduction, Societies Registration Act, 1860, Indian Trusts Act, 1882, Not-for-Profit Companies registered under Section 25 of Companies Act, Non-Banking Financial Companies, Nidhi Companies, Producer Companies.
- ✓ **Management of Group Dynamics:** Introduction, Fund Management in the Group, Group Meeting, Audit Management of SHG, Calculation of Rate of Interest.
- ✓ **Federation of SHGs:** Introduction, Objectives of Federation, Benefits of Federation, Establishment, Structure and Functions of Federation, Types of Federation, Training needs of Federation, Social Development and Sustainability.
- ✓ **Group Formation and its Operation:** Introduction, Role of a Facilitator, Stages in Group Development, Rules and Regulation governing SHGs.
- ✓ **Opening of Bank Account:** Introduction, Savings in the Group, Opening of Bank Account, Operations of Savings Account, Internal Lending.
- ✓ **Book Keeping and Maintenance of Records:** Introduction, Books of Accounts of an SHG, Proceedings Register, Accounts Register, Pass Book for Loan Account, Pass Book of the Members.
- ✓ **Credit Linkage of SHGs:** Introduction, Grading of SHGs, Formats of undertaking grading, Credit Linkage of SHGs, Purpose of Loan, Security for Loans, Documents for Bank Loan, Disbursement of Loan, Interest on Loan, Repayment of Loan.
- ✓ **Micro Insurance:** Introduction, Crop Insurance Schemes, Insurance Schemes for Animal Husbandary Assets, Agricultural Implements, Rural Artisans and Entrepreneurs, Life Insurance Schemes for Rural Areas, Health Insurance Schemes for Rural Population, Micro Pension Schemes in India.

REFERENCES:

1. Acharya, Shankar, India's Macroeconomic Management in the Nineties, ICRIER, New Delhi.
2. Ahluwalia, I.J. and IMD Little, India's Economic Reform and Development, Oxford University Press, Delhi.
3. Datt, R., Second Generation Economic Reforms in India, Deep and Deep, New Delhi.

PATTERN OF EXAMINATION :

	Marks
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	<u>100</u>

DME 202: ENTREPRENEURSHIP DEVELOPMENT AND RESEARCH

COURSE OBJECTIVE: The basic objective of this course is to make the students aware of the various aspects of entrepreneurship and research. The course aims to acquaint the students with challenges of starting new ventures and enable them to investigate, understand and internalize the process of setting up a business.

COURSE STRUCTURE:

- ✓ **Entrepreneurship-Basic Concepts:** Concept, knowledge and skills requirement; characteristic of successful entrepreneurs; role of entrepreneurship in economic development; entrepreneurship process; managerial vs. entrepreneurial approach and emergence of entrepreneurship.
- ✓ **Starting the venture:** generating business idea – sources of new ideas, methods of generating ideas, opportunity recognition; environmental scanning, competitor and industry analysis; feasibility study – market feasibility, technical/operational feasibility, financial feasibility; drawing business plan; preparing project report; presenting business plan to investors.
- ✓ **Planning and Sources of Finance:** marketing plan – marketing research for the new venture, steps in preparing marketing plan, organizational plan – form of ownership, designing organization structure, job design, manpower planning; Financial plan – cash budget, working capital, break even analysis. Debt or equity financing, commercial banks, venture capital; financial institutions supporting entrepreneurs.
- ✓ **Indian versus Western Functioning of business:** Indian chaos and western order, pros and cons of chaos and order. Anxiety over chaos versus comfort with complexity and ambiguity.
- ✓ **Business research:** its concept, nature, scope, need and managerial value of business research; concepts, constructs, variables, hypothesis, process of research; types and significance of research.
- ✓ **Research design:** concept and types – exploratory, descriptive and experimental; sampling design – techniques, factors influencing sample size; attitude measurement; measurement; measurement scales-types and construction of scales and reliability and validity aspects in measurement.
- ✓ **Data collection and Report Writing:** questionnaire/schedule; questionnaire designing, interview and observational methods; data analysis and interpretation, editing, coding, content analysis and tabulation; hypothesis testing – an overview of parametric and non-parametric tests. Research report; ingredients and constructions of research report – procedure of preparation of reference and bibliography.

REFERENCES:

1. Hisrich, Robert D., Michael Peters and Dean Shepherd, Entrepreneurship, Tata McGraw Hill, New Delhi.
2. Charantimath, Poornima, Entrepreneurship Development and Small Business Enterprises, Pearson Education, New Delhi.
3. Malhotra, Rajiv; Being Different, Harper Collins Publishers India, New Delhi.
4. Geode, Millian J. & Paul K. Hatl, Methods in Research Methods, Tata McGraw Hills, New Delhi.
5. Kothari, C.R., Research Methodology.

PATTERN OF EXAMINATION :

	<u>Marks</u>
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

DME 203: FINANCIAL MANAGEMENT

COURSE OBJECTIVE: The course is designed to provide an understanding of the basic elements, concepts and system of cost accounting and the use of costing information in managerial decision-making. Major topics covered are: An orientation to Cost Accounting; Purpose of Cost Accounting, Elements of cost. Kinds of costing, Classification of Costs: Material, Labour and Overhead Costs; Costing Systems; Marginal Costing; Standard Costing; Variance Analysis; Costing for Managerial Decisions.

COURSE STRUCTURE:

- ✓ **Break-Even Analysis:** Meaning, Graphic presentation. Managerial uses of Break-even analysis. budgeting.
- ✓ **Capital Structure:** Concept, Principles, Criteria of its determination, Trading Equity, Leverages
- ✓ **Acquisition of funds:** External and internal forms of corporate financing. External forms - Shares and Debentures. Internal forms - Ploughing Back of Profits. Forms of dividends
- ✓ Working Capital Management: Meaning, Significance and Factors influencing the level of Working capital.
- ✓ **Budgeting:** Definition of a budget. Kinds of budgets
- ✓ **Capital Expenditure decisions:** Process of Capital Budgeting, Basic principles in estimating cost and benefits of investments, Appraisal Criteria – pay back period, Average rate of return; net present value, benefit cost ratio, internal rate of return.

REFERENCES:

1. Pandey, I.M. financial Management, Vikas Publishing House, New Delhi.
2. Khan M.Y. and Jain P.K. Financial Management, Tata McGraw Hill, New Delhi.
3. Keown, Arthu J., Martin, John D., Petty, J. William and Scott, David F, Financial Management. Pearson Education.
4. Chandra, Prasanna; Financial Management TMH, New Delhi.
5. Kishore, R., Financial Management, Taxmans Publishing House, New Delhi.

PATTERN OF EXAMINATION :

	<u>Marks</u>
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

DME 204: MICROFINANCE AND DEVELOPMENT

COURSE OBJECTIVE: The course is designed to provide an understanding of the basic elements, concepts and system of cost accounting and the use of costing information in managerial decision-making. Major topics covered are: An orientation to Cost Accounting; Purpose of Cost Accounting, Elements of cost. Kinds of costing, Classification of Costs: Material, Labour and Overhead Costs; Costing Systems; Marginal Costing; Standard Costing; Variance Analysis; Costing for Managerial Decisions.

COURSE STRUCTURE:

- ✓ **Models in Microfinance:** Introduction, Models of Credit disbursement under microfinance, Models of SHGs in India, Models in International microfinance.
- ✓ **Livelihood Promotion:** Introduction, Poverty in India, Livelihood Intervention, Livelihood Promotion efforts in India, Integrated Sectoral Strategies, Strategies for vulnerable segments of the population, Delivery of Livelihood, Models of Livelihood Problem, Income Generating Activities.
- ✓ **Participatory Rural Appraisal:** Introduction, Participatory Assessment- Concepts and Pre-requisites, Conducting Participatory Assessment, Tools and Techniques of Participatory Assessment.

REFERENCES:

1. Sapovadia, Vrajlal K., Micro Finance: The Pillars of a Tool to Socio-Economic Development. Development Gateway, 2006.
2. Wright, Graham A.N. Microfinance Systems: Designing Quality Financial Services for the Poor. The University Press, Dhaka, 2000.
3. United Nations Department of Economic Affairs and United Nations Capital Development Fund. Building Inclusive Financial Sectors for Development. United Nations, New York, 2006.
4. Yunus, Muhammad. Creating a World Without Poverty: Social Business and the Future of Capitalism. Public Affairs, New York, 2008.

PATTERN OF EXAMINATION :

	<u>Marks</u>
1. <u>Theory Paper:</u> The examination paper will consist of one objective type question containing ten True or False statements (carrying 20 marks), which are to be ticked with reasons in not more than 50 words. In addition, there will be four alternate sets of questions, out of which one set will be long answer type.	70
2. <u>Sessionals:</u> Class Test/Quizzes (average of 2 best out of 3) , Write up, Presentation and Participation	30
Total Marks	100

DME 205: Dissertation and Viva-voce
