

B.A. (VS) Small and Medium Enterprises
Semester V
DISCIPLINE SPECIFIC CORE COURSE -5.1 (DSC-5.1)

Human Resource Management in MSMEs

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Human Resource Management in MSMEs (DSC-5.1)	4	3	1	0	12th Pass	Nil

Learning Objectives: The objectives of the paper are to:

1. understand the process of human resource planning, identify the problems associated with it and guidelines to make it effective.
2. learn the causes of poor industrial relations leading to industrial disputes, how to prevent these and actions required for their settlement.
3. have deep insights into the legal aspects of human resource management like Factories Act, Industrial Employment Act, Minimum Wages Act, Provident Fund Act and Miscellaneous Provisions Act.
4. familiarize with the regulations like Bonus Act, Trade Union Act, and Industrial Disputes Act.
5. know the importance of executive development programme and thus developing human resources through various training and executive development programs.

Learning Outcomes: After completion of the course, learners will be able to:

1. explain the process of human resource planning, identify the problems associated with it and guidelines to make it effective.
2. demonstrate the causes of poor industrial relations leading to industrial disputes, how to prevent these and actions required for their settlement.
3. interpret the legal aspects of human resource management like Factories Act, Industrial Employment Act, Minimum Wages Act, Provident Fund Act and Miscellaneous Provisions Act.
4. describe the regulations like Bonus Act, Trade Union Act, and Industrial Disputes Act.
5. explore the importance of executive developmental programmes and thus developing human resources through various training and executive development programs.

Unit 1:

8 hours

Role of HRD in MSMEs: Manpower Planning in MSMEs, Hiring Process Recruitment and Selection, Training and Evaluation of Performances, Wage and Salary Administration in MSMEs, Employment Motivation.

Unit 2:**7 hours**

Management of Industrial Relation: Causes of Industrial Dispute, Methods of Resolution of Disputes, Procedure and Role of Arbitration and Conciliation, Strikes, lockout, layoff.

Unit 3:**12 hours**

Relevant Regulations for MSMEs-I: Factories Act 1948; definition, approval, licensing and registration, health safety hazardous process, working hours, holidays, employment of young persons and women's, annual leave with wages and penalties. Industrial Employment (Standing Orders) Act 1946; objective, scope and application, definition procedure for submission of draft, standing orders, procedure for certification of standing orders. Minimum Wages Act 1948; object, definitions, fixation and revision of wages, advisory board, central advisory board, enforcement of the Act, offences and penalties. Employees Provident Fund and Miscellaneous Provisions Act 1952; application, definition, EPF schemes, pension schemes and fund, employees deposit link insurance scheme and fund, administration penalties and offences.

Unit 4:**11 hours**

Relevant Regulations for MSMEs-II: Trade Union Act 1926; definition, registration, cancellation of Trade Union and appeals, rights and privileges of registered Trade Union, duties and liabilities, amalgamation, dissolution of Trade Union and penalties. Bonus Act 1965; Meaning, object, definition, eligibility, disqualification, determination, penalties and offences. Industrial Dispute Act 1947; objects, definitions, references of individual to dispute, conciliation machinery, unfair labour practices and penalties.

Unit 5:**7 hours**

Executive Development Programme: Meaning, Need, Relevance, Holistic Training Model, Evaluation of EDPs, Techniques for enhancing effectiveness of EDPs.

Exercises:

The learners are required to:

1. identify a company or a firm and assess the role of Human Resource Development Department. (Unit 1)
2. find out the reasons of industrial disputes and ways to resolve the disputes amicably. (Unit 2)
3. critically analyse the provision related to Factory Act 1948, and Minimum Wages Act 1948. (Unit 3)
4. explore the processes of registration of Trade Union and cancellation of registration thereof. (Unit 4)
5. explore the various executive development programmes and evaluate the techniques for enhancing effectiveness of EDPs. (Unit 5)

Suggested Readings

- Dessler, G., & Varkky, B. (2020). *Human Resource Management* (16th ed.). Pearson Education.

- Dessler, G. (2017). *Fundamentals of Human Resource Management* (4th ed.). Pearson Education.
- Prasad, L. M. (2018). *Human Resource Management*. Sultan Chand & Sons.
- Gupta, C. B. (2018). *Human Resource Management*. Sultan Chand & Sons.
- Wilson, P. J. (2012). *International Human Resource Development* (3rd ed.). Kogan Page.

Notes:

- 1. Suggested readings shall be updated and uploaded on the college website from time to time.**
- 2. Examination scheme and mode as prescribed by the Examination Branch, University of Delhi, from time to time.**

B.A. (VS) Small and Medium Enterprises
Semester V
DISCIPLINE SPECIFIC CORE COURSE -5.2 (DSC-5.2)

FIRMS IN THE GLOBALISING WORLD

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course Title and Code	Total Credits	Lectures	Tutorial	Practical	Eligibility criteria	Pre-requisites of the course
Firms in the Globalizing World (DSC-5.2)	4	3	1	0	Class XII	Nil

Learning Objectives: Globalization since the early 1990s has created a connected world and many firms participate in cross-border activities assisted by acceleration in the access to information and communication technology and the internet. This paper covers topics in contemporary international business comprising trade theory, trans-national corporations and their choice of the host country and entry modes. It covers the theoretical and empirical issues in trade and investment and risks of international business. The students will conceptually understand these topics and will also follow case studies. The course also brings out the consequences of globalization and internationalization of value chains for firms and the functioning of the international monetary and financial system including the determination of exchange rates, currency risks and financial crises.

Learning Outcomes: After the completion of the course the learners will be able to:

- Understand how and why firms internationalize in a globalized world. They will be able to appreciate the differences in the business environments in the domestic economy and in the foreign location.
- Understand the basis of trade and why firms locate production activity abroad either in full or in a segmented manner through value chains and learn about trade barriers and trade costs faced by firms when they enter the international market.
- Appreciate the pros and cons of economic integration in the context of international monetary and trade institutions. The students will also understand the basics of exchange rate determination, the international capital market and global financial crises.

Unit I. Globalization: Phases and dimensions of globalization and consequences of participation in the international economy, globalization of markets and firms, internationalization of value chains and cultural and ethical challenges in international business. Risks in international business. Causes and Types of country risks. Managing country risks. Opportunities and challenges of doing business in emerging markets. Role of the WTO, IMF and WB.

hours)

Unit II. International Trade and Investment, Comparative and competitive advantage, The strategies of internationalizing firms to gain and sustain competitive advantage. Economies of scale and new trade theories. Gains from trade. Difference between inter and intra-industry trade.

Building a global firm and market entry strategies of a Transnational Firm - FDI and GVCs. Outsourcing, global sourcing, offshoring, re-shoring and supply chain management. Benefits and Risks. Types of FDI (Greenfield /brownfield (M&A)), choice of the host country and modes of entry. Risks, challenges and successful strategies of FDI into and from emerging markets.

(15

hours)

Unit III. Government intervention in international trade and investment: Causes, types and effects - tariffs, quotas, VRS, Subsidies, LCRs, etc. Firm-response to intervention - FDI - (horizontal and vertical), GVCs. Reasons for and benefits of Economic Integration - customs unions, FTAs/RTAs - trade creation and diversion. Examples - EU, NAFTA, RECP.

(10 hours)

Unit IV. International Monetary and Financial system: Foreign exchange market and Exchange rate determination - Asset market approach and the purchasing power parity approach, currency risks, capital flight and speculation. Exchange rate pass through and the J-curve effect of currency depreciation/appreciation. Modern Exchange rate regimes. Global financial system and monetary institutions and global financial crises.

(10 hours)

Practical Exercises:

The learners are required to:

1. Discussion - The role of cultural differences in the MNCs' decision to enter a host country market? The students can study different multinationals in the fast-food sector, in the automobile sector and in the consumer goods sector and see how they have altered their strategy in host countries and comment on its success/failure in doing so. (Unit 1).
2. Discussion - Highlight the role of various factors in the success of IT exports from India. (Unit 2).
3. Group Presentation - The class can be divided into groups and asked to make a presentation of various FTAs and the European Union to discuss the benefits and costs of economic integration. (Unit 3).
4. Fieldwork-based exercises - Use the examples of smart phones and automobiles/auto-components to understand the meaning of value chains. (Unit 1 & 3).
5. Group projects based on data collection from the internet - Study India's export-import structure and compare it with the structure of the BRICS. Is India's export structure in line with the trade theories studied? (Unit 1).

6. Project - Compare and contrast the causes of the various currency crises since the 1990s across Asia and Latin America. Use the data on current account balance and the exchange rates from the internet to see whether phases of rupee depreciation in India coincide with phases of an improvement in India's current account balance. Do you see a lagged effect? (Unit 4).

7. Group projects based on data collection from the internet - Collect data on the ease of doing business from the World Bank website and compare India with China and other emerging markets. (Unit 1).

Suggested Readings:

1. Cavusgil, S. T., Knight, G. and Riesenberger, J. (2020). *International Business: The New Realities*. Fifth edition (Global edition). London: Pearson.

2. Salvatore, D. (2013). *International Economics*. Eleventh Edition. USA: Wiley.

Additional Reading:

Krugman P. R., Obstfeld, M. and Melitz, M. J. (2018) *International Economics: Theory and Policy*. (11th edition). Pearson.

Notes:

- 1. Suggested readings shall be updated and uploaded on the college website from time to time.**
- 2. Examination scheme and mode shall be prescribed by the Examination Branch, University of Delhi from time to time.**

B.A. (VS) Small and Medium Enterprises
Semester V
DISCIPLINE SPECIFIC CORE COURSE -5.3 (DSC-5.3)

BASICS OF FINANCIAL MANAGEMENT

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Basics of Financial Management DSC-5.3	4	3	1	-	12th Pass	Nil

Learning Objectives:

The course aims to enable students to acquire knowledge of principles and practice of financial management.

Learning Outcomes: After completion of the course, learners will be able to:

1. analyse the conceptual framework of financial management and get an insight into the concept of time value of money, and risk and return.
2. estimate cash flows for projects, and evaluate their profitability using capital budgeting techniques.
3. estimate the cost of capital; and critically analyse different capital structure theories and factors affecting capital structure decision of a firm.
4. analyse different theories of dividend and factors affecting dividend policy.
5. estimate working capital requirements of a firm, and device optimum credit policy for a firm.

Unit 1: Financial Management: An Overview

3 Hours

Nature, scope and objectives of financial management. An overview of time value of money and risk and return.

Unit 2: Capital Budgeting Decision

12 hours

The Capital Budgeting Process, Cash Flow Estimation, Different techniques of Capital budgeting: Payback Period Method, Discounted Payback Period Method, Accounting Rate of Return, Net Present Value (NPV), Internal Rate of Return (IRR) and Profitability Index.

Unit 3: Cost of Capital and Financing Decision

15 Hours

Cost of Capital: Estimation of components of cost of capital: Method for calculating cost of equity, Cost of retained Earnings, Cost of Debt, Cost of Preference Capital, Weighted Average Cost of Capital (WACC) and Incremental (Marginal) Cost of Capital.

Capital Structure: Theories of Capital Structure (Net Income, Net Operating Income, MM Hypothesis, Traditional Approach). Operating, Financial and Combined Leverage. EBIT-EPS Analysis. Determinants of Capital Structure.

Unit 4: Dividend Decision

6 Hours

Theories for relevance and irrelevance of dividend decision for corporate valuation-MM Approach, Walter's Model, Gordon's Model. Determinants of Dividend policy.

Unit 5: Working Capital Decision

9 Hours

Concepts of Working Capital, Operating & Cash Cycles, Risk-return Trade off, working capital estimation, Receivables Management.

Note: Use of Spreadsheet should be encouraged for doing basic calculations for various topics in the course and giving students subject related assignments for their internal assessment purposes.

Exercises:

The learners are required to:

1. compute risk and return of various investment alternatives using excel spreadsheet. 2. Estimate cash flows for a hypothetical Start-up. Using excel, evaluate the project's profitability by employing capital budgeting evaluation techniques.
2. extract data from financial statements of different firms/financial databases and estimate the cost of capital using appropriate software.
3. extract historical data and evaluate different dividend policies followed by companies of specific industries.
4. estimate working capital requirements for any two companies belonging to different industries and compare them.

Suggested Readings:

- Brealey, R. A., Myers, S. C., Allen F., & Mohanty, P. (2020). *Principles of Corporate Finance*. McGraw Hills Education.
- Khan, M. Y. & Jain, P. K. (2011). *Financial Management: Text, Problems and Cases*. New Delhi: Tata McGraw Hills.
- Kothari, R. (2016). *Financial Management: A Contemporary Approach*. New Delhi: Sage Publications Pvt. Ltd.
- Maheshwari, S. N. (2019). *Elements of Financial Management*. Delhi: Sultan Chand & Sons.
- Maheshwari, S. N. (2019). *Financial Management – Principles & Practice*. Delhi: Sultan Chand & Sons.
- Pandey, I. M. (2022). *Essentials of Financial Management*. Pearson.
- Rustagi, R. P. (2022). *Fundamentals of Financial Management*. New Delhi: Taxmann. New Delhi.

- Sharma, S. K. & Sareen, R. (2019). *Fundamentals of Financial Management*. New Delhi: Sultan Chand & Sons (P) Ltd.
- Singh, J. K. (2016). *Financial Management: Theory and Practice*. New Delhi: Galgotia Publishing House.
- Singh, S. and Kaur, R. (2020). *Basic Financial Management*. New Delhi: SCHOLAR Tech Press.
- Tulsian, P. C. & Tulsian, B. (2017). *Financial Management*. New Delhi: S. Chand.

Notes:

- 1. Suggested readings shall be updated and uploaded on the college website from time to time.**
- 2. Examination scheme and mode shall be prescribed by the Examination branch, University of Delhi from time to time.**