



# **Bachelor of Commerce (General) External Degree**

## **DETAILED COURSE OUTLINE 2021**

**Department of Commerce  
Faculty of Management Studies and Commerce  
UNIVERSITY OF SRI JAYEWARDENEPURA**



# **Detailed Course Outline**

(New Syllabus - 2021 )

Bachelor of Commerce (General) External Degree  
Programme

Department of Commerce

Faculty of Management Studies and Commerce

UNIVERSITY OF SRI JAYEWARDENEPURA

## **Bachelor of Commerce (General) External Degree Programme**

Department of Commerce was established in 1972 at the very outset of the Faculty of Management Studies and Commerce. It offered the prestigious B.Com (special) degree in English medium. The department commenced an external degree program in Commerce for externally registered students and offered a four year B.Com (special) external degree program in 1975. Later in 1996, B.Com (special) external degree program was replaced by a three year general external degree programme in Commerce including fifteen (15) subjects. With the emerging requirements of the society particularly in higher education sector, the department identified that the programme needed to shape and align with the emerging realities in wider society. The department revised existing degree programme in 2012 and the revised curriculum consists of eighteen (18) compulsory courses and one (01) non-credit course. The department provides a highly reputed and successful B.Com (General) external degree program in Sinhala and English mediums.

Department of Commerce

University of Sri Jayewardenepura

Nugegoda.

Sri Lanka

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**B.Com. (General) External Degree Programme  
Curriculum of the Degree Programme**

**Degree - Part I**

<b>Course Code</b>	<b>Course Title</b>	<b>Credit Hours</b>
COM 1501	Microeconomics	05
COM 1502	Financial Accounting	05
COM 1503	Business Mathematics	05
COM 1504	Introduction to Management	05
COM 1505	Commercial Law	05
COM 1506	Introduction to Information Technology	05
COM 1007	Business Communication	
		30

**Degree - Part II**

<b>Course Code</b>	<b>Course Title</b>	<b>Credit Hours</b>
COM 2501	Macroeconomics	05
COM 2502	Cost and Management Accounting	05
COM 2503	Business Statistics	05
COM 2504	Organizational Behaviour & Human Resource Management	05
COM 2505	Marketing Management	05
COM 2506	Operations Management	05
		30

**Degree - Part III**

<b>Course Code</b>	<b>Course Title</b>	<b>Credit Hours</b>
COM 3501	International Trade & Finance	05
COM 3502	Advanced Financial Accounting	05
COM 3503	Financial Management	05
COM 3504	Management Science	05
COM 3505	Management Information Systems	05
COM 3506	Theory and Practice of Banking	05
		30

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**

**Degree Part I**

**Subject : COM 1501- MICROECONOMICS**

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**Rationale:**

Microeconomics is an introductory course in the theory of markets with relevant applications to business, social and individual issues. This course introduces economic analysis of individual, business, and industry choices in the market economy. Topics include; the price mechanism, demand and supply, optimizing economic behavior, costs and revenue, market structures, factor markets, and market failure. It also provides introductory analysis of the role of governments in seeking to ensure the efficient operation of markets.

**Course Objectives:**

- To introduce economic theories, tools and methods of analysis.
- To understand the economic environment which functions through individuals, firms, industries, and government.
- To identify the outcome and pricing decisions of firms operating under difference market conditions.
- To understand the government microeconomic policy and its economic impact on individuals and businesses.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Define economics and explain microeconomic concepts
- Use the supply and demand model to determine the equilibrium price and quantity in a market
- Use marginal analysis to explain maximizing behavior of firms and Individuals.
- Describe how price and output decisions are made in different market structures.
- Understand the application of microeconomic principles on business decision making.
- Describe the conditions that may lead to market failure and government's intervening role.

**Course content:**

**1. Introducing Economics**

- 1.1 Nature and Scope of Microeconomics
- 1.2 Economic Systems
- 1.3 Basic Economic Problems
- 1.4 Scarcity, Choice, Opportunity Cost, and Production Possibility Frontier
- 1.5 Microeconomics Vs Macroeconomics

**2. Demand, Supply, Market Equilibrium and Elasticity**

- 2.1 Law of Demand
- 2.2 Market Demand Curve for a commodity
- 2.3 Law of Supply
- 2.4 Market Supply Curve for a commodity
- 2.5 Equilibrium Price and Quantity
- 2.6 Changes in the Equilibrium
- 2.7 Elasticity
- 2.8 Types of Elasticities
- 2.9 Determinants of the Price Elasticities
- 2.10 Government Intervention to the Market

**3. The Theory of Consumer Behavior**

- 3.1 Cardinal Utility approach
  - 3.1.1 Total and Marginal Utility
  - 3.1.2 Consumer Equilibrium
  - 3.1.3 Derivation of Individual's Demand Curve
- 3.2 Ordinal Utility approach
  - 3.2.1 Define Indifference Curve
  - 3.2.2 Marginal Rate of Substitution (**MRS**)
  - 3.2.3 Characteristics of Indifference Curve
  - 3.2.4 Budget Constraint
  - 3.2.5 Consumer Equilibrium
  - 3.2.6 Income-Consumption Curve and "Angle" Curve
  - 3.2.7 Price-Consumption Curve and Consumer's Demand Curve
  - 3.2.8 Income Effect and Substitution Effect

**4. Theory of Production**

- 4.1 Production with One Variable Input
  - 4.1.1 Production Function

4.1.2 Total, Average and Marginal product

4.1.3 The Stages of Production

4.1.4 The Law of Diminishing Returns

4.1.5 The Optimal use of variable input

4.2 Production with Two Variable inputs

4.2.1 Long Run production Function

4.2.2 Iso-quant

4.2.3 The law of Diminishing Marginal Rate of Substitutions (MRTS)

4.2.4 Iso-quant for Perfect Substitutes and Complementary Inputs

4.2.5 Iso-Cost lines

4.2.6 Long Run Firm Equilibrium

4.2.7 Production Expansion Path

4.2.8 Ridge Lines

4.2.9 Returns to Scale (Increasing, Decreasing and Constant)

## **5. Cost of Production and Profit Maximization Principle**

5.1 Cost concepts

5.2 Short-run Cost function and cost curves

5.3 Long-run cost-output relationship

5.4 Economies and diseconomies of scale

5.5 Profit Maximization

5.5.1 Total Approach

5.5.2 Marginal Approach

## **6. Market Structures**

6.1 Perfect Competition

6.1.1 Characteristics

6.1.2 Short-Run Equilibrium of a Firm

6.1.3 Short- Run Supply Curve of a Firm

6.1.4 Short-Run Equilibrium of the Industry

6.1.5 Long-Run Equilibrium of a Firm

6.1.6 Long-Run Equilibrium of the Industry

6.2 Monopoly

6.2.1 Characteristics

6.2.2 Cost and revenue curves under monopoly

6.2.3 Short- Run Equilibrium of the monopoly



- 6.2.4 Long-Run Equilibrium of the monopoly
- 6.2.4 Price Discrimination
- 6.3 Monopolistic Competition
  - 6.3.1 Characteristics
  - 6.3.2 Profit - Maximizing Price and Output in the Short Run
  - 6.3.3 Profit-Maximizing Price and Output in the Long Run
- 6.4 Oligopoly
  - 6.4.1 Models of the Oligopoly
    - 6.4.1.1 Kinked Demand Curve
    - 6.4.1.2 Cournots' Model
    - 6.4.1.3 Cartels Model or Collusive Oligopoly
    - 6.4.1.4 Price Leadership
- 7. Factors of Production**
  - 7.1 Meaning of Factors of Production
  - 7.2 Labour - Wages
    - 7.2.1 A Perfectly Competitive Labour Market
    - 7.2.2 The Labour Supply Curve
    - 7.2.3 The Labour Demand Curve
    - 8.2.4 The equilibrium wage and level of employment in perfectly competitive labour market
  - 7.3 Land- Rent
    - 7.3.1 Meaning of Rent
    - 7.3.2 Economic Rent
    - 7.3.3 Transfer Earning
  - 7.4. Capital - Interest
    - 7.4.1 Meaning of Capital
    - 7.4.2 Classical Theory of Interest

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### Recommended Readings:

1. Lipsey, R.G and Kenneth Alec Chrystal, K.A (1995), Oxford University Press, London.
2. Lipsey, R.G. "An Introduction to Positive Economics", Eighth Edition, Weidefeld & Nicolson, London.
3. Salvatore, D. (2006) "Microeconomics", Schaum's outlines, Forth Edition, McGraw - Hill Company.
4. Samuelson,P.A. and Nordhaus, W.D. (2010) "Economics", 19<sup>th</sup> Edition, McGraw Hill Companies.
5. @mJi:lJOC'.l O. <;C'.lJOOirn, gd@® cpoclo, 5<;:l.5Jcl.
6. @mJi:lJOC'.l O. <;C'.lJOOirn, o::iCJ @OG mJ clJoi63C'.l 5mJ(3) otmJ qJoclo, 5<;:l.5Jcl, o,o,J go,J 6'C'.l63.
7. @mJi:lJOC'.l O. <;C'.lJOOirn, e,od @OGmJ clJoi63C'.l 5cm(3) otmJ qJoclo, 5<;:l.5Jcl I, o,o,J go,J 6'C'.l63.
8. @mJi:lJOC'.l O. <;C'.lJOOirn, e,od @OGmJ clJoi63C'.l 5mJ(3) otmJ qJoclo, 5<;:l.5Jcl II, o,o,J go,J 6'C'.l63.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART I**

**Subject**        **COM 1502 - FINANCIAL ACCOUNTING**

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**Rationale:**

Financial accounting is the field of accountancy concerned with the preparation of financial statements for decision makers, such as stockholders, suppliers, banks, employees, government agencies, owners, and other stakeholders. Financial accounting is used to prepare accounting information for people outside the organization or not involved in the day-to-day running of the company.

In short, financial accounting is the process of summarizing financial data taken from an organization's accounting records and publishing in the form of annual (or more frequent) reports for the benefit of people outside the organization. Financial accounting is governed by both local and international accounting standards. However, with the adoption of International Financial Reporting Standards (IFRSs) in 2012 local accounting standards are now same as international accounting standards.

**Course Objectives:**

- To introduce students to accounting as the "language of business" and to the various financial accounting topics covered in the course with the understanding that some students may pursue more in-depth study in subsequent courses while others do not intend to continue their accounting education.
- To teach students to apply accounting theory, standards, principles and procedures to practical accounting problems in the elementary topical areas covered in the course.
- To teach students the fundamental rationale for the various financial accounting procedures introduced in the course.
- To require students to more fully develop their critical thinking skills.
- To make learning accounting both interesting and fun.

## **Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Understand salient principles, concepts and practices in functional disciplines of financial accounting.
- Explain the aims, functions, uses and influence of accounting in society and in ethical financial decision-making.
- Develop four basic financial statements: Income Statement, Statement of Owner's/Stockholders' Equity, Balance Sheet and Statement of Cash Flows.

## **Course content:**

### **1. Introduction**

- 1.1 Nature and scope of financial accounting
- 1.2 Functions and usefulness
- 1.3 Evolution of financial accounting
- 1.4 Accounting information and users of accounting information
- 1.5 Conceptual framework of Accounting
- 1.6 Accounting concepts and accounting standards
- 1.7 Accounting equation
- 1.8 Double entry system

### **2. Accounting process**

- 2.1 Passing journal entries
- 2.2 Preparation of ledger accounts
- 2.3 Subsidiary books
- 2.4 Recording of cash and bank transactions
- 2.5 Preparation of trial balance
- 2.6 Rectification of errors
- 2.7 Preparation of bank reconciliation statement
- 2.8 Accounting for depreciation-need for and significance of depreciation, methods of providing depreciation.

### **3. Financial statements of a Sole-trader**

- 3.1 Manufacturing, trading and profit and loss account
- 3.2 Balance sheet
- 3.3 Adjustment entries

### **4. Accounts of non-profit organizations**

- 4.1 Receipts and payments account
- 4.2 Income and expenditure account
- 4.3 Balance sheet

5. **Partnership accounts:**
  - 5.1 Fundamentals - capital, fixed and fluctuating; adjustments for change in profit sharing ratios; revaluation of assets and liabilities; goodwill; joint-life policy.
  - 5.2 Financial statements
  - 5.3 Reconstitution of the firm - admission, retirement and death of a partner; amalgamation.
  - 5.4 Dissolution of partnership including piece-meal distribution; sale to a company.
  
6. **Single entry system**  
preparation of accounts from incomplete records.
  
7. **Control account**  
self-balancing and sectional balancing ledgers.
  
8. **Accounting for consignments and joint ventures.**

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings:**

1. Financial Accounting Study text, Certificate in Accounting and Business I (CAB I), Institute of Chartered Accountants of Sri Lanka.
  
2. Financial Accounting Study text, Certificate in Accounting and Business II (CAB 11), Institute of Chartered Accountants of Sri Lanka.

### **Web resources:**

- [www.casrilanka.com](http://www.casrilanka.com)
- [www.iasplus.com](http://www.iasplus.com)

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART I**

**Subject**      **COM 1503 - BUSINESS MATHEMATICS**

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**Rationale:**

This course, introduces students to basic mathematical principles, laws and rules that are necessary to develop an overview of application capabilities of the subject matter in the field of business and economics. Business Mathematics course begins with brief review of arithmetic and algebra. It also covers functions, differentiation, partial derivatives, integration, and mathematics of finance. The course also includes the applications of differentiation and integration in business and economics.

**Course Objectives:**

To prepare students for the mathematical and analytical applications required for future courses in areas such as economics, statistics, and operations research. At the end of this course students are expected to have a thorough knowledge of mathematical tools and techniques relating to algebra, calculus, and financial mathematics.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Simplify algebraic expressions
- Solve linear, quadratic and simultaneous equations
- Solve system of linear equations using matrices and Cramer's rule
- Solve problems that involve applications of functions in business and economics
- Differentiate functions of one variable and two variables using differentiation rules, and find their maximum and minimum values
- Integrate simple functions and evaluate definite integrals of simple functions
- Apply integration to solve various problems in business and economics
- Solve business problems involving simple interest and compound interest
- Solve business problems involving simple ordinary annuities.

## **Course content:**

### **1. Algebra Basics**

- 1.1 The Real Number System
- 1.2 Algebraic Expressions
  - 1.2.1 Indices and Index Rules
  - 1.2.2 Simplifying Algebraic expressions
  - 1.2.3 Factorisation
  - 1.2.4 Fractions
- 1.3 Equations
  - 1.3.1 Linear Equations
  - 1.3.2 Quadratic Equations
  - 1.3.3 Simultaneous Equations
  - 1.3.4 Applications of Equations

### **2. Matrices**

- 2.1 Matrix addition and Scalar Multiplication and Matrix Multiplication
- 2.2 Solutions of systems of Linear Equations by Matrices

### **3. Functions**

- 3.1 Definition: Notation and Evaluation
- 3.2 The Arithmetic of Functions
- 3.3 Graphs in Rectangular Coordinates
  - 3.3.1 Straight Lines and Equations of a Line
  - 3.3.2 Graphs of Quadratic Equations (Parabolas)
- 3.4 Applications of Functions in Business and Economics
  - 3.4.1 Cost, Revenue and Profit Functions
  - 3.4.2 Break Even Analysis
  - 3.4.3 Demand and Supply Functions

### **4. Differentiation**

- 4.1 Limit of a Function
- 4.2 Basic Rules for Differentiation
- 4.3 Successive Differentiation
- 4.4 The Sign of the Derivative and Nature of Function
- 4.5 Relative Maximum and Relative Minimum points of a Function

- 4.6 Applications of Differentiation
  - 4.6.1 The derivative as a rate of change
  - 4.6.2 Marginal Functions
  - 4.6.3 Optimization of Functions in Business and Economics
  - 4.6.4 Elasticity

## **5. Functions of Several Variables and Partial Derivatives**

- 5.1 Functions of Several Variables
- 5.2 Partial Derivatives
- 5.3 Applications of Partial Derivatives
- 5.4 Second Order Partial derivatives
- 5.5 Optimization of Functions Two Variables

## **6. Integration**

- 6.1 Indefinite Integration
- 6.2 Basic Rules of Integration
- 6.3 The Definite Integration
- 6.4 Area Between Curves
- 6.5 Applications of Integrations in Business and Economics
  - 6.5.1 Integration of Marginal Functions
  - 6.5.2 Total Change of Functions
  - 6.5.3 Consumers' Surplus and Producers' Surplus

## **7. Mathematics of Finance**

- 7.1 Simple Interest and Compound Interest
- 7.2 Present Value
- 7.3 Investment Appraisal
- 7.4 Annuities
- 7.5 Sinking Funds and Amortization

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.



### **Recommended Readings:**

1. Anderson, RD and Smith, C.L (1976) Calculus for Business, Pennsylvania State University.
2. Budnick, F.S (1993) Applied Mathematics for Business, Economics, and the Social Sciences, Fourth Edition, McGraw-Hill Education.
3. Donald L. Stand, Mildred L. Stand (1988) Brief Calculus for Management and the Life and Social Sciences.
4. Edward D. Gaughan, E.D and Hall, C.E (1983) College Algebra and Trigonometry, R. R. Bowker- University of Michigan.
5. Ernest F. I. Haeussler, Jr; Reherd S. Paul. (2009) Introductory Mathematical Analysis, 10th edition, Prentice-Hall.
6. Macpherson, M.D (1982) Mathematics Applied to Business Problems, Bowker.
7. Sullivan, M and Mizrahi, A (2004) Mathematics and Applied Approach (Seventh Edition), John Wiley & sons.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART I**

**Subject**      **COM 1504 - INTRODUCTION TO MANAGEMENT**

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**Rationale**

This is an introductory course on basic concepts and theoretical foundations of Management. This is very diverse field, which integrate knowledge and techniques from various other disciplines like sociology, psychology, anthropology, mathematics, and engineering. Therefore understanding Management requires an interdisciplinary thought process. Management with its own set of knowledge and line of thinking. It is fundamental theorem of learning that "one will understand something new on the basis of what he knows at the moment" hence it is necessary to understand basic concepts of any subject if one is to learn advanced theories and concepts.

**Course Objectives:**

- To understand what management is, who managers are, managerial roles, develop managerial skills.
- To summarize and critique theories of Management.
- To distinguish among the micro, macro and internal environment.
- To describe the place of goals and goal setting in the planning process.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Understand the building block of an organization.
- Diagnosing human behavior and analyzing as to why people behave in a particular way.
- Enhance knowledge about anticipate change, exploit opportunities, motivate followers to higher level of performance.
- Understand the process of communication, barriers, and strategies to overcome those effectively.
- Ability to play a crucial role as controller in a dynamic unpredictable global business world.
- Solve business problems involving simple ordinary annuities.

**Course content:**

**1. Introduction**

- 1.1 Organizations and their internal dynamics
- 1.2 Why we need organizations
- 1.3 Types of organization
- 1.4 Management and its role
- 1.5 What is business/
- 1.6 Efficiency, effectiveness and productivity
- 1.7 Types of managers
- 1.8 Role of managers
- 1.9 Requirements to be a better manager
- 1.10 Social responsibility
- 1.11 Organization environment

**2. Evolution of Management thought**

- 2.1 Development of management theories
- 2.2 Classical approach
- 2.3 Behavioral approach
- 2.4 Management science school
- 2.5 Systems approach
- 2.6 Contingency approach

**3. Decision making**

- 3.1 Decision making situations
- 3.2 Decision making styles
- 3.3 Rational decision making process

**4. Planning**

- 4.1 Significance of planning
- 4.2 Process of planning
- 4.3 Types of plans
- 4.4 Benefits of planning

**5. Organizing**

- 5.1 Process of organizing
- 5.2 Organizational structure
- 5.3 Organizational chart
- 5.4 Factors affecting the structure

- 5.5 Informal organization
- 5.6 Coordination
- 5.7 Span of control
- 5.8 Power, influence and authority

## **6. Leading**

- 6.1 Leadership
- 6.2 Contingency theory
- 6.3 Likerts system approach
- 6.4 Communication
- 6.5 Communication process
- 6.6 Principles of communication
- 6.7 Barriers of communication
- 6.8 Motivation
- 6.9 Process of Motivation
- 6.10 Theories of Motivation

## **7. Controlling**

- 7.1 Process of controlling
- 7.2 Controlling methods and techniques
- 7.3 Essentials of effective control system

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. Griffing, R.W. (2006), Management, 10<sup>th</sup> Edition, South - Western College Pub.
2. Stoner, F. and *Gilbert Jr* (2003). *Management*, 6th Edition Prentice Hall of India.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART I**

**Subject : COM 1505 - COMMERCIAL LAW**

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**Rationale**

The course is designed to provide students with the knowledge and understanding of the fundamental principles of Commercial law relating to commercial sector including the company Law. The basic principles of commercial law which are vital for day today commercial transactions are incorporated in the syllabus. Along with an introduction to legal system and court system in Sri Lanka this preliminary level course includes Contract law, Property law, Delict law, Labour law, Intellectual property law and Company law.

**Course Objectives:**

The course attempts to provide students with knowledge concerning,

- The basic legal concepts relating to commercial law.
- Legal rules and constraints applied to business.
- Possible legal issues when making business decisions and how to avoid litigation.
- Legal problems in "real-life" scenarios and advice for their solutions.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Identify and familiarize with basic legal principles, rules, regulations and Acts relating to the business environment
- Minimize and avoid litigations in connection with the business
- Apply the knowledge to solve problems in simple situations.

## **Course content:**

### **1. Introduction**

- 1.1 Definition of law
- 1.2 General classification of legal subjects
- 1.3 The Legal system of Sri Lanka
- 1.4 The Court system of Sri Lanka
- 1.5 The importance of law to business
- 1.6 Sources of Business law
- 1.7 The constitution and the Business

### **2. Law of contract and Delict (Tort)**

- 2.1 Agreement and contract
- 2.2 Formation of a contract
- 2.3 Terms of a contract
- 2.4 Termination of a contract
- 2.5 Remedies
- 2.8 Consumer protection Law
- 2.9 Law of Delict

### **3. Law of sale of goods**

- 3.1 Definition of contract of sale
- 3.2 Sale and other supply contracts
- 3.3 Formation of a contract of sale
- 3.4 Passing of property
- 3.5 Implied terms and conditions
- 3.6 Exception clauses
- 3.7 Remedies of a seller/buyer
- 3.8 International sale of goods

### **4. Law of Agency**

- 4.1 Formation of agency contract
- 4.2 Categories of agents
- 4.3 Authority of agents
- 4.4 Contracts made by agents
- 4.5 Rights and duties of principal and agent
- 4.6 Termination of agency

## **5. Law of Insurance, Leasing and Hire Purchase**

- 5.1 The importance of insurance
- 5.2 Definition and explanation of insurance contract
- 5.3 Classification of insurance
- 5.4 Insurable interest, utmost good faith, material facts, non-disclosure
- 5.5 Meaning of leasing and hire purchase
- 5.6 Benefits of leasing
- 5.7 Different types of leasing
- 5.8 Leasing Act
- 5.9 Hire purchase and other sales contract
- 5.10 Rights of the owner
- 5.11 Consumer Credit Act

## **6. Property Law and Intellectual Property law**

- 6.1 Property Law
- 6.2 Real Property and personal property
- 6.3 History of intellectual property law in Sri Lanka
- 6.4 Introduction to Intellectual Property Act No. 36 of 2003
- 6.5 Description of intellectual property rights
  - Copy right,
  - Patent,
  - Trade marks,
  - Industrial design,
  - Geographical indications
  - Unfair competition and other rights
  - Legal remedies for breach of intellectual property rights

## **7. Labour Law**

- 7.1 Contract of Employment
- 7.2 Types of Employment
- 7.3 Industrial Disputes Act
- 7.4 Other Labour Legislation

## **8. TaxLaw**

- 12.1 Indirect Taxation
- 12.2 Direct Taxation
- 12.3 Income Tax

## **9. Law Relating to Partnership and Companies**

- 9.1 Definition of a partnership
- 9.2 Requirement of a partnership
- 9.3 Comparison of partnership and limited liability company
- 9.4 Rights and duties of partnership
- 9.5 Dissolution of partnership
- 9.6 The concept of corporations
- 9.7 Companies
- 9.8 Incorporation
- 9.9 The veil of incorporation
- 9.10 Types of companies
- 9.11 Capital/shares/debentures
- 9.12 Directors
- 9.13 Business judgment rule
- 9.14 Majority rule and minority protections
- 9.15 Shareholders
- 9.16 Meetings
- 9.17 Winding up

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings:**

#### **1. Prescribed Legislation**

- Bills of Exchange Ordinance No. 25 of 1927
- Consumer Affairs Authority Act of 2003
- Consumer Credit Act No.29 of 1982
- Finance Leasing Act No. 56 of 2000
- Industrial Disputes Act No. 43 of 1950
- Inland Revenue (Amendment) Act No.10 of 2006
- Partnership Act of 1890
- Regulation of Insurance Industry Act No. 43 of 2000
- Sale of Goods Ordinance No. 11 of 1896
- Value Added Tax Act No. 14 of 2002
- Companies Act No. 07 of 2007



**2. Essential Reading:**

By Dr. Wickrema Weerasooriya, W. (2010) Commercial Law (Business Law) PIM, University of Sri Jayawardenapura.

**3. Additional Reading:**

Atiyah, *Sale of Goods*, 11<sup>th</sup> ed, 2005 (UK)

Commercial Law by Robert Bradgate, Butterworths, 2000

Contract Law by C.G. Weeramanthry

Fisher, Commercial and Personal Property Law, Butterworths, 1997

Law of Contract, Volume I and II by R.K. Bangia

**Web resources:**

- [www.lawnet.lk](http://www.lawnet.lk)

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**

**DEGREE PART I**

**Subject : COM 1506 - INTRODUCTION TO INFORMATION TECHNOLOGY**

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**Rationale**

This is an introductory level course consisting of both basic theory and practice relating to Information and Communication Technologies (ICT). This course emphasis on ICT principles, use of ICT and role of ICT in knowledge economy. The module includes: Introduction, Computer hardware and software, Computer network and Internet, Information systems, E-business and, social and ethical issues in information systems.

**Course Objectives:**

- Identify different types of computers and information technologies used in both personal life and businesses.
- Identify different software applications and hardware components used in a computer system.
- Understand about different computer networks, personal technologies, and equipments used today.
- Understand about different types of databases used and their importance to today's organizations.
- Understand about various security and other issues faced by organizations.
- Understand the process of developing information systems.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Understanding the role of ICT in knowledge economy
- Understand the key concepts of ICT
- Understand the role of computer hardware and software component of a computer system
- Understand the basic of computer networks and internet services
- Understand the basic types of information systems and their role of organization
- Understand the key participant and processes of system development
- Analyze the information need of an organization and information systems

- Understand the principles of e-business
- Understand the social and ethical issues in ICT.

### **Course content:**

#### **1. Introduction to Information Technology: Your Digital World**

- 1.1 The practical user
- 1.2 Information technology & your life
- 1.3 Information technology is all pervasive
- 1.4 The varieties of computers
- 1.5 Understanding your computer: How computers work?
- 1.6 Where is information technology headed?

#### **2. The Internet and the World Wide Web: Exploring Cyberspace**

- 2.1 Connecting to the Internet
- 2.2 How does the Internet work?
- 2.3 The World Wide Web
- 2.4 Email and other ways of communicating over the net
- 2.5 The online Gold Mine
- 2.6 The intrusive Internet

#### **3. Software: Tools for Productivity and Creativity**

- 3.1 System software
- 3.2 The operating system
- 3.3 Other system software
- 3.4 Common features of the user interface
- 3.5 Common operating systems
- 3.6 Application software
- 3.7 Word processing software
- 3.8 Spreadsheet programs
- 3.9 Database software
- 3.10 Specialty application software
- 3.11 Filenames, extensions and data compression

#### **4. Hardware: The CPU and Storage: How to Choose a Multimedia Computer System**

- 4.1 Microchips, Miniaturization, and Mobility
- 4.2 The System Unit
- 4.3 Secondary storage
- 4.4 Future developments in processing & storage

- 5. Hardware: Input & Output: Taking Charge of Computing and Communications**
  - 5.1 Input & output
  - 5.2 Input hardware
  - 5.3 Output hardware
  - 5.4 Input and output technology and quality of life
  - 5.5 The future of input and output
  
- 6. Communications, Networks, and Safeguards: The Wired and Wireless World**
  - 6.1 From the analog to the digital age
  - 6.2 Networks
  - 6.3 Wired communications media
  - 6.4 Wireless communications media
  - 6.5 Cyber threats, hackers, and safeguards
  
- 7. Personal Technology: The Future is You**
  - 7.1 Convergence, portability, & personalization
  - 7.2 Portable media players
  - 7.3 High-tech radio
  - 7.4 Digital cameras
  - 7.5 Digital television
  - 7.6 E-book readers
  - 7.7 Tablet PCs
  - 7.8 Smart phones
  - 7.9 Videogame systems
  
- 8. Databases are in Your Life: Digital Engines for Today's Economy**
  - 8.1 Managing files: Basic concepts: How data is organized
  - 8.2 Database management systems
  - 8.3 Database models
  - 8.4 Data mining
  - 8.5 Databases & the digital economy
  - 8.6 Information systems in organizations
  - 8.7 Databases: Concerns about Privacy and identity theft

## **9. The Challenges of the Digital Age: Society and Information Technology Today**

- 9.1 Truth issues
- 9.2 Security issues
- 9.3 Security safeguards
- 9.4 Quality-of-life issues
- 9.5 Economic and political issues

## **10. Building Systems and Applications: Software Development, Programming and Languages**

- 10.1 Systems development and the life cycle of a software project
- 10.2 Programming
- 10.3 Five generations of programming languages
- 10.4 Programming languages
- 10.5 Markup and scripting languages

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings:**

1. Laudon K. C., and Laudon J. P. (2012) Management Information Systems, 12<sup>th</sup> edition, Managing the Digital Firm, Prentice Hall of India (Pvt) Ltd.
2. O'Brien J. A and Marakas, G. (2012). Introduction to Information Systems, 16<sup>th</sup> edition. McGraw Hill Companies, Inc.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART I**

**Subject : COM 1007 - BUSINESS COMMUNICATION**

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**Rationale**

This is a non-credit elementary course on professional communication in English, commencing at a fairly basic level and touching upon the fundamentals of language. A pre-intermediate level of language proficiency would be adequate for a student to enroll in the course. This course seeks to develop all four language competencies in the areas of reading, writing, listening and speaking skills in relation to business communication. In addition, grammar and vocabulary are also extensively discussed.

**Course Objectives:**

- To develop writing, reading, speaking and listening skills of students with regard to English language
- To equip students with knowledge and skills related to Business English.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- use English language in a considerably grammatical and accurate manner in writing and speaking
- compose formal letters, reports and other business related documents for a given context
- conduct successful presentations and meetings
- use English more appropriately and with greater confidence, both in personal life and in the business context
- engage more effectively and efficiently in business communication (in English) in the organizational context

## **Course content:**

### **1. Grammatical Foundation I**

- 1.1 Parts of speech
- 1.2 Tenses- present, past, future
- 1.3 Sentence structures
- 1.4 Making questions and negation

### **2. Grammatical Foundation II**

- 2.1 Active voice and passive voice
- 2.2 Conditionals
- 2.3 Reported speech
- 2.4 Prepositions and articles

### **3. Basic Aspects of Communication**

- 3.1 Greeting others
- 3.2 Agreeing and disagreeing
- 3.3 Asking for and giving advice and opinions
- 3.4 Giving instructions

### **4. Composition**

- 4.1 Describing people and objects
- 4.2 Describing graphs
- 4.3 Writing paragraphs (topic sentence and supporting ideas, punctuation)

### **5. Business Correspondence**

- 5.1 Telephone etiquette
- 5.2 Memos
- 5.3 E-mails
- 5.4 Letters of inquiry, request and complaint
- 5.5 Cover letters

### **6. Communication Within the Organization**

- 6.1 Memos
- 6.2 Notices
- 6.3 Meetings: writing minutes ,negotiating ,meeting etiquette

## **7. Report Writing (Information-only reports)**

- 7.1 Structure of reports
- 7.2 Language in report writing

## **8. Presentation Skills**

- 8.1 Structure of the presentation
- 8.2 Paralinguistic features associated with presenting Visual aids

## **9. Reading Skills**

- 9.1 Scanning, skimming, inferring
- 9.2 Reading comprehension

## **10. Business Jargon**

- 10.1 Business related vocabulary
- 10.2 Business idioms and expressions

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. Bradbury, A. (2000). Successful Presentation Skills. Kogan Page : UK
2. Jones, L. (1996). Business English: New international business English: Student's book: Workbook: 3 Audio cassettes. University Press: UK
3. Mary, M. and Lynn, R. (2002). Guide to Presentations. Peterson Education: New Jersey
4. Raymond, M. (2000). Murphy's English Grammar. A Self-study Reference and Practice Book for Intermediate Students of English with answers: 3rd Edition. Cambridge University Press
5. Richard, B. (1998). Effective Business Communication. Prentice Hall.
6. Timothy, R. F (2002). Business English: Better business writing.



**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART II**

**Subject    COM 2501 - MACROECONOMICS**

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**Rationale**

This course unit is prepared to provide the students a theoretical framework of understanding and analyzing major macroeconomic problems, economic policies and issues of an economy. Further this course is focused to analyze the behaviour of aggregate economic variables such as; employment, output, interest rate and inflation.

**Course Objectives:**

- To introduce basic macroeconomic principles
- To critically analyze macroeconomic problems
- To emphasize the role of macroeconomic policies that affect internal and external deficits, inflation and growth of per capita income
- To understand and evaluate the workings of real and money markets and the nature of equilibrium in each market.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Explain macroeconomic issues in a significant way and apply the knowledge on decision making process
- Understand and compare the features of the main macroeconomic models
- Understand the determinants of macroeconomic fluctuations and the impact of fiscal and monetary policy and the economy
- Establish relationships among relevant concepts such as income determination and employment theory, economic growth, and inflation.

**Course content:**

**1. Measurement of Economic Activities**

- 1.1 Introduction to Macroeconomics
- 1.2 Microeconomics vs. Macroeconomics
- 1.3 Macroeconomics Issues
- 1.4 Determination of National Income
- 1.5 Key Concepts of National Income Accounts
- 1.6 Key Macroeconomic Variables.

**2. Classical Macroeconomics**

- 2.1 Production
- 2.2 Labour demand and labour supply
- 2.3 Aggregate demand and aggregate supply
- 2.4 Equilibrium output and employment in Classical model
- 2.5 Classical theory of Interest rate
- 2.6 Policy implications in Classical model

**3. Keynesian Macroeconomics**

- 3.1 The Components of Aggregate Demand
- 3.2 Determining Equilibrium National Income
- 3.3 Changes in Equilibrium National Income
- 3.4 Multipliers in the Keynesian Model
- 3.5 Policy Implications of the Keynesian Equilibrium Model.

**4. The IS-LM Model**

- 4.1 Derivation of the IS and LM Curves
- 4.2 Equilibrium in the IS-LM Curve Model
- 4.3 Multipliers in the IS-LM Model
- 4.4 Factors Affecting Equilibrium National Income and the Interest Rate
- 4.5 Factors Influencing the Relative Effectiveness of Economic Policies.

**5. Open Economy Macroeconomics**

- 5.1 Derivative of BP Curves
- 5.2 Equilibrium in the IS-LM Curve Model
- 5.3 Economic Policies with Fixed Exchange Rate
- 5.4 Economic Policies with Flexible Exchange Rate
- 5.5 Policy Effectiveness of an Open Economy

## 6. Inflation

- 6.1 Measurement of Inflation
- 6.2 Causes of Inflation
- 6.3 Sources of Inflation
- 6.4 Cost of Inflation
- 6.5 Effects of Inflation

## 7. Unemployment

- 7.1 Measuring Unemployment
- 7.2 Sources of Unemployment
- 7.3 Main Approaches of the Unemployment
  - 7.3.1 The Classical Approach
  - 7.3.2 The Keynesian Approach
  - 7.3.4 The Monetarist Approach

### Mode of Study

Lectures, seminars, course manuals, workshops, assignments, self study.

### Recommended Readings:

1. @rnJc:lJo□ o.□J0ds5:l, oJoo qJoct:D 5 mo.
1. @rnJc:lJo□ Q□J0ds5:l, OJ63t:D qJ J□@ '5:llSJ□ mJ m[C!c> 506@.
2. Dornbusch, R. (1997) Macroeconomics, 6<sup>th</sup> Edition, McGraw - Hill Book Company, New York.
3. Froyen, RT. (2008) Macroeconomics, 9<sup>th</sup> Edition, Macmillan Publishing Company, New York.
4. Samuelson, P.A. and Nordhous, W.D. (2009) Economics, McGraw - Hill Book Company, New York.
5. @rnJc:lJOC.J O. <;□J0ds5:l, qJoct:D C)oG)'5:lC.J, ooe)oG)'5:lC.J orn qJoct:D g63od63, t:DOIJ g t:DJm'5:l□t:53

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART II**

**Subject : COM 2502 -COST AND MANAGEMENT ACCOUNTING**

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**Rationale**

Cost accounting is a type of accounting process that aims to capture a company's costs of production by assessing the input costs of each step of production as well as fixed costs such as depreciation of capital equipment. Cost accounting will first measure and record these costs individually, then compare input results to output or actual results to aid company management in measuring financial performance.

Management accounting is concerned with the provisions and use of accounting information to managers within organizations, to provide them with the basis to make informed business decisions that will allow them to be better equipped in their management and control functions.

**Course Objectives:**

- To provide students with basic concepts of cost accounting and management accounting and the usefulness of internal accounting system.
- To provide students with the capability to apply knowledge in decision-making scenarios;
- To require students to more fully develop their critical thinking skills.
- To inculcate professionalism and to make learning accounting both interesting and fun.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Understand salient principles, concepts and practices in functional disciplines of cost and management accounting.
- Explain the aims, functions, uses and influence of cost and management accounting in society and managerial decision-making.
- Explain the selecting of projects using different techniques with resources constraints.

## **Course content:**

### **1. An introduction to Cost Accounting, cost terms and concepts.**

- 1.1 Nature and usefulness of cost Accounting
- 1.2 Cost objects
- 1.3 Direct and Indirect costs
- 1.4 Cost behaviour
- 1.5 Relevant and irrelevant costs and revenue
- 1.6 Avoidable and unavoidable costs
- 1.7 Sunk costs and opportunity costs
- 1.8 Job costing and process costing system

### **2. Accounting for Material**

- 2.1 Need for holding inventory
- 2.2 Materials control cycle
- 2.3 Calculation of inventory value
- 2.4 Different pricing Methods
- 2.5 Ways to optimize investments in inventory

### **3. Accounting for Labour**

- 3.1 Importance of labour cost
- 3.2 Remuneration Methods
- 3.3 Preparation of payroll and Accounting for it

### **4. Accounting for Overheads**

- 4.1 Importance of overheads
- 4.2 Collection, allocation, absorption of overheads
- 4.3 Overhead absorption rates and under / over absorption of overheads

### **5. Job costing and Process Costing**

- 5.1 Accounting entries for a job costing system
- 5.2 Interlocking Accounting
- 5.3 Defining process costing
- 5.4 Identifying process costing systems
- 5.5 Preparation of process Account
- 5.6 Losses in process
- 5.7 Process costing for decision-making and control

### **6. Joint and by-product costing**

- 6.1 Distinguishing between joint products and by-products
- 6.2 Methods of allocating joint costs
- 6.3 Accounting for by-products

## **7. Introduction to Management Accounting**

- 7.1 Nature and usefulness of Management Accounting
- 7.2 Functions of Management Accounting
- 7.3 The decision making process and role of management accounting in making decisions

## **8. Cost - Volume - Profit analysis**

- 8.1 Relationship between cost, volume and profit
- 8.2 Single product Break-even-point analysis
- 8.3 Constructing a break-even-chart
- 8.4 Multi-product break even point analysis
- 8.5 Assumptions and limitations of the cost-volume-profit analysis

## **9. Measuring relevant costs and revenues for decision - making**

- 9.1 The relevant cost approach to decision making situations
- 9.2 Importance of qualitative factors
- 9.3 Special pricing decisions
- 9.4 Product mix decisions when capacity constraints exist
- 9.5 Replacement of equipment
- 9.6 Make or buy decisions
- 9.7 Discontinuation decisions
- 9.8 Misconceptions about relevant costs

## **10. Capital investment decisions**

- 10.1 Objectives of capital budgeting
- 10.2 Compounding and discounting
- 10.3 The concept of Net Present Value and calculating Net Present Value
- 10.4 The Internal rate of return
- 10.5 Relevant cash flows and timing of cash flows
- 10.6 Profitability index
- 10.7 Payback Method and Accounting rate of return
- 10.8 Importance of qualitative factors

## **11. The budgeting process**

- 11.1 Multiple functions of budgets
- 11.2 Preparation of budgets - sales budget, production budget, material usage budget, Material purchase budget, direct Labor budget, overhead budgets, cash budget, Master budget
- 11.3 Advantages and disadvantages of budgeting

## **12. Standard costing and variance analysis**

- 12.1 Establishing cost standards
- 12.2 Types of cost standards
- 12.3 Advantages and disadvantages of standard cost systems
- 12.4 Variance analysis
  - 12.4.1 Material variances
  - 12.4.2 Labour variances
  - 12.4.3 Variable overhead variances
  - 12.4.4 Fixed overhead variances
  - 12.4.5 Sales variances
- 12.5 Reconciling budgeted profit and actual profit

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings;\_**

1. Management and Cost Accounting, Colin Drury, 7<sup>th</sup> Edition.
2. Management and Cost Accounting, Colin Drury, 6<sup>th</sup> Edition.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART II**

**Subject : COM 2503 - BUSINESS STATISTICS**

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**Rationale**

This course introduces students to the collection, analysis, and graphic presentation of data and the application of statistical methods to the solution of practical business problems. The course covers descriptive statistics, probability Theory, and statistical inference. The major topics cover under descriptive statistics include, collection, organization and presentation of data, and statistical summary measures. Probability theory includes topics such as approaches to probability theory, basic probability rules, Bayes' theorem and theoretical distributions. Statistical inference covers sampling distributions, estimation, confidence intervals and hypothesis testing. Two important data analysis techniques regression analysis and time series forecasting are also included in the course.

**Course Objectives:**

- To provides a conceptual framework of statistical reasoning by which larger conclusions are drawn from sample evidence.
- To equip students with basic concepts, techniques, and tools of statistical analysis so that they can understand the strategic importance of statistics in contemporary business environments, and apply statistical methods to problems pertaining to business.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- describe the nature and usefulness of statistics in business
- identify various types and sources of data, and explain methods of data collection
- present data graphically and correctly interpret graphic presentations
- acquire raw data and make frequency distributions
- calculate interpret basic measures of central tendency, dispersion and skewness
- solve probability problems using basic probability rules and Bayes' theorem
- use binomial, Poisson and normal distributions to solve business problems



- describe probability and non-probability sampling methods
- derive sampling distributions of sample mean and sample proportion
- develop and interpret confidence interval estimates for the mean and the proportion
- describe basic principles of hypothesis testing and test hypotheses concerning a mean and a proportion, and perform chi-square test of independence
- use regression analysis to predict the value of a dependent variable based on one independent variable when the relationship is linear
- explain the components of a time series and estimate trend and seasonal components
- forecast using multiplicative model

### **Course content:**

#### **1. Introduction**

- 1.1 Definition of Statistics
- 1.2 Nature and Scope of Statistics
- 1.3 Importance of Statistics in Business and Management
- 1.4 Limitations of Statistics

#### **2. Collection of Data**

- 2.1 Primary and Secondary Data
- 2.2 Types of data
- 2.3 Methods of Collecting Primary data
- 2.3 Designing a Questionnaire

#### **3. Presentation of Data in Tables and Charts**

- 3.1 Organization of Numerical Data
  - 3.1.1 Ordered Array
  - 3.1.2 Frequency Distributions
  - 3.1.3 General Rules for Forming Frequency Distributions
  - 3.1.4 Relative Frequency Distributions and Percentage Distributions
  - 3.1.5 Cumulative Frequency Distributions
- 3.2 Charts for Numerical Data
  - 3.2.1 Histogram, Frequency Polygon
  - 3.2.2 Cumulative Frequency Polygon (Ogive)
  - 3.2.3 Scatter Diagram (Graph for Bivariate Numerical Data)

- 3.3 Tables and Charts for Categorical Data
  - 3.3.1 Summary Table
  - 3.3.2 Bar Chart, Pie Chart
- 3.4 Tables and Charts for Bivariate Categorical Data
  - 3.4.1 Contingency Table
  - 3.4.2 Component Bar Chart
- 4. Statistical Summery Measures**
  - 4.1 Measures of Central Tendency (Averages)
    - 4.1.1 Arithmetic Mean, Median, Mode, Geometric Mean
    - 4.1.2 Quartiles
  - 4.2 Measures of Dispersion
    - 4.2.1 Range, Interquartile Range,
    - 4.2.2 Variance and Standard Deviation
    - 4.2.3 Coefficient of Determination
  - 4.3 Measures of Skewness
- 5. Probability Theory**
  - 5.1 The Concept of Probability
  - 5.2 Basic Definitions
    - 5.2.1 Sets, Set Operations, Venn Diagram
    - 5.2.2 Sample Space and Events
    - 5.2.3 Permutations and Combinations
  - 5.3 Probability Approaches
    - 5.3.1 Classical Approach
    - 5.3.2 Relative Frequency Approach
    - 5.3.3 Subjective Approach
  - 5.4 Basic Probability Rules
  - 5.5 Conditional Probability
  - 5.6 Statistical independence and Multiplication Rule
  - 5.7 Joint-Probability Table
    - 5.7.1 Marginal (Simple) Probabilities
    - 5.7.2 Joint Probabilities
  - 5.8 The Law of Total Probability and Probability Tree Diagrams
  - 5.9 Bays' Theorem

## **6. Random Variables and Probability Distributions**

- 6.1 Discrete and Continuous Random Variables
- 6.2 Probability Distribution for a Discrete Random Variable
  - 6.2.1 Expected Value of a Discrete Random Variable
  - 6.2.2 Variance and Standard Deviation of a Discrete Random Variable
- 6.3 Binomial Distribution
  - 6.3.1 Conditions for a Binomial Random Variable
  - 6.3.2 Applications of Binomial Distribution
- 6.4 Poisson Distribution
  - 6.4.1 Applications of Poisson Distribution
  - 6.4.2 Poisson Approximation to Binomial Distribution
- 6.5 Probability Distributions for a Continuous Random Variable
- 6.6 Normal Probability Distribution
  - 6.6.1 Properties of Normal Distribution
  - 6.6.2 The Standard Normal Distribution
  - 6.6.3 Normal Approximation to Binomial Distribution

## **7. Sampling and Sampling Distributions**

- 7.1 Census and Sample surveys
- 7.2 Sampling and Non-Sampling Errors
- 7.3 Methods of Sampling
  - 7.3.1 Probability Sampling Methods
  - 7.3.2 Non-probability Sampling Methods
- 7.4 Sampling Distributions
  - 7.4.1 Sampling Distribution of Sample Mean
  - 7.4.2 Central Limit Theorem
  - 7.4.3 Sampling Distribution of Sample Proportion
  - 7.4.4 Finite Population Correction

## **8. Statistical Estimation**

- 8.1 Point Estimation
  - 8.1.1 Point Estimators for Population Mean Variance and Proportion
  - 8.1.2 Properties of a Good Point Estimator
- 8.2 Interval Estimation
  - 8.2.1 Confidence Intervals for Population Mean (When  $\sigma$  is Known)
  - 8.2.2 T Distribution

- 8.2.3 Confidence Intervals for Population Mean (When  $\sigma$  is Unknown)
- 8.2.4 Confidence Intervals for Population Proportion

## **9. Hypothesis Testing**

- 9.1 Null Hypothesis and Alternative Hypothesis
- 9.2 Concepts of Hypothesis Testing
  - 9.2.1 Type I and Type II Errors
  - 9.2.2 The Significance Level
  - 9.2.3 The Test Statistic
  - 9.2.4 Critical Region, Critical Value and P Value
  - 9.2.5 One-Tailed and Two-Tailed Tests
- 9.3 Testing Hypothesis Concerning Population Mean  $\mu$
- 9.4 Testing Hypothesis Concerning Population Proportion P
- 9.5 Chi-square Test of Independence

## **10. Correlation and Simple Linear Regression**

- 10.1 Scatter Diagram and Correlation
- 10.2 Simple Linear Regression Model
- 10.3 The Method of Least Squares
- 10.4 Coefficient of Determination
- 10.5 Standard error of the Estimate

## **11. Time Series Forecasting**

- 11.1 The importance of Time Series Forecasting
- 11.2 Components of a Time Series
- 11.3 Mathematical Models for Time Series
- 11.4 Estimation of Linear Trend
  - 11.4.1 Method of Least Squares
  - 11.4.2 Method of Moving Averages
- 11.5 Estimation of the Seasonal Component
  - 11.5.1 Seasonal Indices
  - 11.5.2 Ratio to Moving average Method
- 11.6 Deseasonalized Data
- 11.7 Forecasting a Multiplicative Series

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. Amir D.A. and Sounderpandian, J (2005). *Complete Business Statistics*, Sixth edition, Irwin/ McGraw-Hill.
2. Berenson, M. L., Levine, D. M., and Krehbiel, T. C., *Basic Business Statistics: (2006). Concepts and Applications*, 10th edition, Prentice-Hall,
3. Bowerman, B.L., O'Connell, RT., and Michael H.L. (2010). *Business Statistics in Practice*, Fifth Edition, McGraw-Hill.
4. Keller, G. (2009) *Statistics for Management and Economics*, Seventh Edition, Thomson South-Western.
5. Levine, D. M Timothy C. Krehbiel, Berenson, M.L and. Viswanathan. P. K (2009). *Business Statistics-A First Course*, Fourth Edition, Pearson Education, Inc.
6. Ronald, M. W. (2008). *Introduction to Business Statistics*, Sixth Edition, McGraw-Hill

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE {GENERAL} EXTERNAL DEGREE**  
**DEGREE PART II**

**Subject : COM 2504- ORGANIZATIONAL BEHAVIOUR AND HUMAN  
RESOURCE MANAGEMENT**

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**Rationale**

These course subjects include major two courses which evaluated on equal manner. Human resource Management is aim to provide the students with basic understanding of Human Resource Management functions from a general managerial point of view. The other major part is Organizational Behavior which basically deals with understanding human behavior in organization. It deals involves individuals, groups, and organizational processes. It recognizes the fact that human beings are complex. Therefore it requires a systematic approach to understanding human behavior. Therefore Organizational Behavior knowledge and skills would be beneficial for any manager or employee who will have to deal with people in different work settings.

**Course Objectives:**

- To understand how well an organization obtains, maintains, and retains its human resources,
- To determines its success or failure,
- To explain the human resource activities of job design, job analysis, selection, training and development, performance evaluation, pay management and relationships with each factors
- To understand the historical evaluation and theoretical framework
- To understand individual differences like perception, personality, attitudes, values in behavior

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Develop skills to analyze organizational conflicts, job stress and organizational careers and individual development
- Define and understand groups and group behavior, leadership, organizational culture, organizational power and politics and change and development.

**Course content:**

**1. Define Human Resource Management**

1.1 Introduction

**2. Preparation and selection**

2.1 Job analysis and design

2.2 Human resource planning

2.3 Recruitment

2.4 Selection

**3. Development and evaluation**

3.1 Induction and placement

3.2 Training and development

3.3 Performance appraisal

3.4 Career planning

**4. Compensation and employee relation**

4.1 Compensation management

4.2 Security, safety and health

4.3 Union management relation

**5. Introduction to organizational behavior its origin and the theoretical perspective of OB**

5.1 What is OB?

5.2 Defining the scope of OB

5.3 Origin of OB

5.4 Theoretical frameworks of OB

**6. Individual differences in behavior**

6.1 Perception

6.2 Personality

6.3 Attitudes

6.4 Values

**7. Management of job stress**

7.1 Definition and nature

7.2 Causes of stress

7.3 Managing stress

## **8. Managing organizational careers and individual development**

- 8.1 Definition
- 8.2 Career stages and life cycles
- 8.3 Career planning and development aids

## **9. Managing organizational conflicts**

- 9.1 Definition
- 9.2 Level of conflicts
- 9.3 Types of conflicts
- 9.4 Causes of conflicts
- 9.5 Managing conflicts

## **10. Interpersonal and group behavior**

- 10.1 What is group?
- 10.2 Groups and teams
- 10.3 Group impact on organizational and individual effectiveness
- 10.4 Group cohesiveness

## **11. Leadership, culture, power and politics and organizational**

- 11.1 Definitions of the concepts
- 11.2 What do culture leadership power and politics really do
- 11.3 Types of change
- 11.4 Steps of change process
- 11.5 People approach to change

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings:**

1. Luthans, F (1994) "Organizational behavior", 12<sup>th</sup> Edition, McGraw-Hill Education.
2. Opatha, H.H.D.N.P.K. (2008). Seva mandala kalamanakaranaya,
3. Stephen P. Robins, S.P (2009). Organizational behavior, 13<sup>th</sup> edition, Pearson Education.
4. William B., Werther, J.R. and Keith D. (1996). Human resources and personnel management, McGraw-Hill.



**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART II**

**Subject : COM 2505 - MARKETING MANAGEMENT**

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**Rationale**

This course is designed to provide an introduction to the theory and practice of marketing. The main areas covered under this course are Introduction to marketing, Developing marketing strategies and plans, The marketing environment, Managing marketing information, Consumer markets and consumer buyer behavior, Creating value for target customers, Product, services and branding strategy, New product development and product-life-cycle strategies, Pricing products, Marketing channels and supply chain management, Designing and managing integrated marketing communications, Managing mass communications: Advertising, sales promotions, Events and public relations, and Managing personal communications: Direct marketing and personal selling.

**Course Objectives:**

- To provide a knowledge in marketing principles, concepts and quantitative techniques used in marketing decision making.
- To familiarize with the elements of marketing mix (product, pricing, promotion and distribution strategies).
- To improve the ability to analyze marketing problems and provide practical solutions to these problems.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Understand the importance in business practice of being marketing oriented and marketing is integrated with other functional areas of business.
- Learn the fundamentals of implementing the marketing function in organizations.
- Apply marketing concepts to the analysis of marketing problems and development of appropriate and creative marketing strategies to solve these problems.
- Use examples from current events and real word marketing situations to apply, illustrate, and discuss different marketing strategies.

## **Course content:**

### **1. Introduction to Marketing**

- 1.1 The Importance of Marketing
- 1.2 The Scope of Marketing
- 1.3 Company Orientations Toward the Marketplace
- 1.4 Fundamental Marketing Concepts, Trends, and Tasks

### **2. Developing Marketing Strategies and Plans**

- 2.1 Marketing and Customer Value
- 2.2 Corporate and Division Strategic Planning
- 2.3 Business Unit Strategic Planning
- 2.4 Product Planning: The Nature and Contents of a Marketing Plan

### **3. The Marketing Environment**

- 3.1 The Company's Microenvironment
- 3.2 The Company's Macro environment

### **4. Managing Marketing Information**

- 4.1 Assessing Marketing Information Needs
- 4.2 Developing Marketing Information
- 4.3 Marketing Research
- 4.4 Analysing Marketing Information
- 4.5 Distributing and Using Marketing Information

### **5. Consumer Markets and Consumer Buyer Behavior**

- 5.1 Model of Consumer Behavior
- 5.2 Characteristics Affecting Consumer Behavior
- 5.3 Types of Buying Decision Behavior
- 5.4 The Buyer Decision Process

### **6. Creating Value for Target Customers**

- 6.1 Market Segmentation
- 6.2 Market Targeting
- 6.3 Differentiation and Positioning

### **7. Product, Services, and Branding Strategy**

- 7.1 What is a Product
- 7.2 Product and Service Decisions
- 7.3 Branding Strategy
- 7.4 Services Marketing

- 8. New Product Development and Product-life Cycle Strategies**
  - 8.1 New-Product Development Strategy
  - 8.2 The New-Product Development Process
  - 8.3 Product Life-Cycle Strategies
  
- 9. Pricing Products**
  - 9.1 Factors to Consider when Setting Prices
  - 9.2 Pricing Strategies
  - 9.3 New-Product Pricing Strategies
  - 9.4 Product-Mix Pricing Strategies
  - 9.5 Price-Adjustment Strategies
  - 9.6 Price Changes
  
- 10. Marketing Channels and Supply Chain Management**
  - 10.1 The Nature and Importance of Marketing Channels
  - 10.2 Channel Behavior and Organization
  - 10.3 Channel Design Decisions
  - 10.4 Channel Management Decisions
  - 10.5 Marketing Logistics and Supply Chain Management
  
- 11. Designing and Managing Integrated Marketing Communications**
  - 11.1 The Role of Marketing Communications
  - 11.2 Developing Effective Communications
  - 11.3 Deciding on the Marketing Communications Mix
  - 11.4 Managing the Integrated Marketing Communications
  
- 12. Managing Mass Communications: Advertising, Sales Promotions, Events and Public Relations**
  - 12.1 Developing and Managing an Advertising Programme
  - 12.2 Deciding on Media and Measuring Effectiveness
  - 12.3 Sales Promotion
  - 12.4 Events and Experiences
  - 12.5 Public Relations
  
- 13. Managing Personal Communications: Direct Marketing and Personal Selling**
  - 13.1 Direct Marketing
  - 13.2 Interactive Marketing
  - 13.3 Designing the Sales Force
  - 13.4 Managing the Sales Force
  - 13.5 Principles of Personal Selling.

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

- (1) සරත් එස්. නාමචුන්න, (2016), අලෙවි කළමනාකරණය, තරංජ් ප්‍රින්ට්ස්.
- (2) Philip Kotler and Gary Armstrong (2008), Principles of Marketing, 12<sup>th</sup> Edition, Prentice - Hall of India Private Limited, New Delhi.
- (3) Philip Kotler and Kevin Lane Keller (2005), Marketing Management, 12<sup>th</sup> Edition, Prentice - Hall of India Private Limited, New Delhi.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**

**DEGREE PART II**

**Subject : COM 2506 - OPERATIONS MANAGEMENT**

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**Rationale**

This course, an introductory course in Operations Management, introduces the students to key concepts, principles and design techniques that are essential to develop an appreciation of the uses of the field, its interactions and relationships with parallel management activities in order to cultivate its general understanding of the field as a totality. Major topics covered include operations strategy and competitiveness, product design and process selection, total quality management, capacity management, layout planning, job design, work measurements, supply chain management, inventory control and JIT.

**Course Objectives:**

- To provide students with a knowledge about operations management activities of a business organization.
- To identify the relationship of operations management to other business functions.
- To enable students to use basic mathematical models to solve operations management problems.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- identify operations management activities of an organization
- explain the relationship between operations management and other functional areas of a business.
- apply basic mathematical models to solve operations management problems.

## **Course content:**

- 1. Introduction to the operations management**
  - 1.1 What is operations management
  - 1.2 Transformation process
  - 1.3 Differences between goods and services
  - 1.4 Historical development of operations management
  
- 2. Operations strategy & competitiveness**
  - 2.1 What is operations strategy?
  - 2.2 Competitive priorities
  - 2.3 Order winners and order qualifiers
  - 2.4 Productivity measurement.
  
- 3. Product Development & design**
  - 3.1 New product development process
  - 3.2 Product life cycle
  - 3.3 Concurrent design
  - 3.4 Design for environment
  
- 4. Process selection**
  - 4.1 Key process technology
  - 4.2 Types processes
  - 4.3 Product-process matrix
  
- 5. Forecasting in operations**
  - 5.1 Importance of forecasting
  - 5.2 Qualitative forecasting models
  - 5.3 Quantitative forecasting models
  
- 6. Total quality management**
  - 6.1 Definition of quality
  - 6.2 Dimensions of quality; products and services
  - 6.3 Cost of quality
  - 6.4 Principles of TQM
  - 6.5 Quality control tools
  
- 7. Capacity planning**
  - 7.1 Definition of capacity
  - 7.2 Short term capacity planning strategies
  - 7.3 Long term capacity planning strategies

## **8. Facilities location**

- 8.1 Effect of location on revenue and cost
- 8.2 Factors affecting in selecting a country
- 8.3 Factors affecting in selecting a region
- 8.4 Factors affecting in selecting a site

## **9. Layout planning**

- 9.1 symptoms of bad layout
- 9.2 Objectives of facility layout
- 9.3 Basic layouts
- 9.4 Layout techniques; Block diagramming and relationship diagram

## **10. Inventory Management**

- 10.1 Different types of inventory
- 10.2 Independent demand Vs. dependent demand
- 10.3 Inventory control systems

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. Chase RB., Jacobs F. R. and Aquilano N.J., 2003 Operations Management for Competitive Advantage, 10th Edition, Tata McGraw-Hill, New Delhi.
2. Adam, Jr., Everete E. Adam and Ebert, Ronald J., 2003, Production and Operations Management Concepts, Models, and Behaviour, Prentice-Hall of India, New Delhi.
3. Russell R. S. and Taylor B. W., 2007, *Operations Management: Creating Value Along the Supply Chain*, 6th Edition.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**

**DEGREE PART III**

**Subject : COM 3501- International Trade and Finance**

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**Rationale**

This course focuses on international trade and international finance. International trade consists of international trade theory and policy. International trade theory deals with basis and the gains from trade, the modern theory of international trade, offer curves, Hecksher-ohilin theory, commercial policies, economic integration. International trade policy examines the reasons for and the effects of trade restrictions and trade protectionism. Further International finance deals with international financial environment that affects giant multinationals and other firms that involved in international trade and transactions. This encompasses the study of foreign exchange markets, foreign exchange rate determination, international parity conditions, managing foreign exchange risk and exposure and optimal policy tools to manage international financial environment.

**Course Objectives:**

- To understand and analyze the important concepts of international economics and the main components of international trade and international finance.
- To understand and evaluate the effects of various trade policies on the business environment and the global economy.
- To assist students in developing the necessary concepts and tools to analyze the current global issues/events and their impacts on the business environment and the world economy.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Describe the main concepts in international economics and the main components of international trade and international finance
- Explain the impact of each key component and analyze the critique of the applicability of models
- Apply the international economic concepts, principles, and models to analyze global phenomena.



- Analyze qualitatively and quantitatively basic international trade and finance problems, apply knowledge to practical situations and make wise economic decisions, and adapt to changes in business and social environments.

**Course content:**

**1. Introduction to International Economics**

- 1.1 International Economics
- 1.2 Subject Matters of International Trade
- 1.3 Benefits of International Trade

**2. International Trade Theories**

- 2.1 Trade Based on Absolute Advantage
- 2.2 Trade Based on Comparative Advantage
- 2.3 Comparative Advantage and Opportunity Costs
- 2.4 The Basis and the Gains from Trade Under the Constant Costs

**3. The Modern Theory of International Trade**

- 3.1 The Production Frontier with Increasing Costs
- 3.2 Community Indifference Curves
- 3.3 Equilibrium in Isolation
- 3.4 The Basis and the Gains from Trade with Increasing Costs

**4. Offer Curves**

- 4.1 The Offer Curve of a Nation
- 4.2 The Offer Curve of the Other Nation
- 4.3 The Equilibrium Relative Commodity Price with Trade
- 4.4 The Terms of Trade

**5. The Heckscher-Ohlin Theory**

- 5.1 Assumptions of the Theory
- 5.2 Factor Intensity and Factor Abundance
- 5.3 Factor Endowments and the Heckscher-Ohlin Theory
- 5.4 Factor Price Equalization Theory

**6. Trade policies**

- 6.1 Tariffs
- 6.2 Partial Equilibrium Analysis of a Tariff in a Small Country
- 6.3 The Rate of Effective Protection
- 6.4 The Optimum Tariff
- 6.5 Non-tariff Barriers

## **7. Economic Integration**

- 7.1 Trade Creating Customs Unions
- 7.2 Trade Diverting Customs Unions
- 7.3 The Theory of Second Best
- 7.4 Dynamic Benefits from Customs Unions
- 7.5 Common Market
- 7.6 Economic Union

## **8. International Resource Movements and Multinational Corporations**

- 8.1 Motives for International Capital Flows
- 8.2 Reasons for Existing Multinational Corporation
- 8.3 Problems Created by Multinational Corporation

## **9. Foreign Exchange Market and Exchange Rate**

- 9.1 Functions of Foreign Exchange Market
- 9.2 Foreign Exchange Rates
- 9.3 Equilibrium Exchange Rates
- 9.4 Arbitrage
- 9.5 Spot and Forward Rate
- 9.6 Currency SWAP
- 9.7 Foreign Exchange Futures and Options

## **10. Foreign Exchange Risk**

- 10.1 Foreign Exchange Risks, Hedging, and Speculation
- 10.2 Uncovered Interest Arbitrage and Covered Interest Arbitrage

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. @mJc)JoC'.l O. C'.lJ0o3°<5), qs5:l'ai6 oJ63oi @clG J@, oiaIJ goiJm<5)C'.l63.
2. Chachohedes, M. (2011). International Trade Theory and Policy, McGraw Hill Kogakush Ltd., Tokyo.
3. Curves, R.E. and Jones, R.W. (1992). World Trade and Payments, An Introduction, Little Brown and Company, Boston.
4. Levi, D. M. (2012) International Finance, Fifth edition (International editions), McGraw-Hill.
5. Salvatore, D. (2012) International Economics, Macmillan Publishing Company.
6. @mJc)JQC'.l O. C'.lJ00J<5), qG:ll5C'.l<5) @OJ c:im63oi OQ) CC'.lc:J @O(S ffiJ @0<5;)0JCC'.lc:J 5mJ0) c:itmJ qs5:l'aiotiJ63oi @cl@ep@, O)O)J goiJm-5)(.l)0).

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART III**

**Subject : COM 3502 -ADVANCED FINANCIAL ACCOUNTING**

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**Rationale**

Advanced financial accounting is an extension course of the financial accounting course that was offered in the first year of the degree programme. This course deals with advanced concepts and techniques of financial accounting. This course imparts students with knowledge in financial reporting concepts and practices and makes them appraise the issues and constructively criticize current practices.

**Course Objectives:**

- To enable students to apply Sri Lanka Accounting Standards for different accounting and financial reporting issues in separate and group financial statements.
- To enable students to prepare financial statements of public companies complying with Sri Lanka Accounting standards.
- To teach students how to prepare group financial statements and their special applications.
- To require students to more fully develop their critical thinking skills.
- To make learning accounting both interesting and fun.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- prepare financial statements of public companies in a manner suitable for publication in accordance with Sri Lanka Accounting Standards (SLFRSs / LKASs)
- Describe consolidation and when it must be used.
- Prepare consolidated Balance Sheet (Statement of Financial Position), Consolidated Income Statement (Statement of Comprehensive Income) for a group of companies
- Use different methods for analyzing financial statements

**Course content:**

**1. Company accounts**

- 1.1 Legal background
- 1.2 Stated capital, issue and redemption of shares
- 1.3 Issue and redemption of preference shares
- 1.4 Financial statements for directors
- 1.5 Financial statements for publication purposes

**2. Group accounts**

- 2.1 Legal background
- 2.2 Fundamental of a group environment
- 2.3 Intercompany transactions
- 2.4 Consolidated statement of comprehensive income
- 2.5 Consolidated statement of financial position

**3. Financial statement analysis**

- 3.1 Usefulness of financial statements
- 3.2 Interpretation of financial statements
- 3.3 Ratio analysis

**4. Branch accounts**

- 4.1 Centralized accounting
- 4.2 Decentralized accounting
- 4.3 Foreign branches

**5. Accounting for leases**

- 5.1 Introduction and legal background
- 5.2 Accounting in the books of lessor
- 5.3 Accounting in the books of lessee

**6. Sri Lanka Accounting Standards (SLFRSs and LKASs)**

**7. Corporate governance and Corporate social responsibility**

**8. Current trends and developments in accounting**

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. Annual Reports of Public Listed Companies (PLCs).
2. Code of best practice and corporate governance in Sri Lanka.
3. Financial Reporting Framework Study text, Diploma in Accounting and Business I (DAB I), Institute of Chartered Accountants of Sri Lanka.
4. Sri Lanka Accounting and Auditing Standards Act No 15 of 1995.
5. Sri Lanka Accounting Standards Text book 2011, Institute of Chartered Accountants of Sri Lanka.

## **Web resources**

- [www.casrilanka.com](http://www.casrilanka.com)
- [www.ifrs.com](http://www.ifrs.com)
- [www.iasb.org](http://www.iasb.org)

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART III**

**Subject : COM 3503 -FINANCIAL MANAGEMENT**

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**Rationale**

The rationale of this course is to provide an introductory level understanding of major concepts, principles, theories and techniques in Financial Management while mainly focusing on the investment and financing decisions of firms. The course is organized into three modules such as Financial Environment, Markets and Analysis, Risk, Return and Valuation of assets and Corporate Finance to clearly understand the basic tools and techniques of finance that are necessary for handling decision making process of an organization.

**Course Objectives / Learning Outcomes:**

After successful completion of this course students will be able;

- To understand concepts, principles and theories of financial management.
- To describe and understand the financial environment, markets and to carry out financial analysis.
- To understand the relationship between risk and return and to value assets.
- To use the techniques and tools of financial management in decision making process of organizations especially with regard to investing and financing.
- To conceptualize how the finance function is handled and managed in an organization in order to survive and grow competitively in the market.

**Course content:**

**1. An Introduction to Financial Management**

- 1.1. Meaning of Financial Management
- 1.2. Major areas in Finance
- 1.3. Goals of Financial Management
- 1.4. Agency Relationship

- 2. The Financial Environment**
  - 2.1. Financial System
  - 2.2. Financial Market and types of markets
  - 2.3. Financial Instruments and Institutions
  - 2.4. Market efficiency and capital market in Sri Lanka
- 3. Information for Financial Decisions**
  - 3.1. Financial Statements and reports
  - 3.2. Financial Ratio Analysis
  - 3.3. Evaluation of firm's earning power (DuPont analysis)
- 4. Time Value of Money**
  - 4.1. Time Preference for money
  - 4.2. Time Value Adjustment for different types of cash flows
  - 4.3. Impact of Compounding Frequency
  - 4.4. Loan Amortization
- 5. Risks and Return**
  - 5.1. Concept of Risk and Return
  - 5.2. Estimation of Risk and Return of individual assets
  - 5.3. Estimation of Risk and Return in a portfolio context
  - 5.4. Portfolio theory and Assets Pricing Models
- 6. Bonds and their Valuation**
  - 6.1. Types of Bonds
  - 6.2. Characteristics of Bonds
  - 6.3. Bond Valuation
  - 6.4. Bond value and Yields
  - 6.5. Bond value and interest rates
  - 6.6. The term structure of interest rate
- 7. Stocks and their Valuation**
  - 7.1. Rights and Privileges of Stockholders
  - 7.2. Valuation of Common Stocks
- 8. The Sources of Finance and Cost of Capital**
  - 8.1. The importance of Cost of Capital
  - 8.2. Estimation of Component Cost of Capital
  - 8.3. Weighted Average Cost of Capital (WACC)
  - 8.4. Marginal Cost of Capital (MCC)

## **9. Capital Budgeting Decisions**

- 9.1. Types of Investment Decisions
- 9.2. Capital Budgeting Process
- 9.3. Capital Budgeting Techniques
- 9.4. Capital Rationing
- 9.5. Risk analysis in capital budgeting

## **10. Capital Structure and Leverage**

- 10.1. Capital Structure Concepts
- 10.2. Business and Financial risk of a firm
- 10.3. Meaning and measuring of financial leverage
- 10.4. Financial leverage and shareholder return
- 10.5. Combining financial leverage and operating leverage
- 10.6. Capital Structure Theories

## **11. Dividend Policy**

- 11.1. Objectives of dividend policy
- 11.2. Dividend theories

## **12. Working Capital Management**

- 12.1. Basic Concepts of Working Capital
- 12.2. Operating and cash conversion cycle
- 12.3. Permanent and variable working capital
- 12.4. Determinants of working capital
- 12.5. Estimating working capital
- 12.6. Working Capital Financing Policies.

## **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

## **Recommended Readings:**

1. Ross, Westerfield and Jordan, *Essentials of Corporate Finance*, 6<sup>th</sup> Edition, 2008.
2. Brigham and Houston, *Fundamentals of Financial Management*, 9<sup>th</sup> Edition, 2001.
3. Pandey I.M., *Financial Management*, 9<sup>th</sup> Edition, reprinted 2006.



**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART III**

**Subject : COM 3504- MANAGEMENT SCIENCE**

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**Rationale**

This course provides an overview of the nature and applications of Management Science/ Operations Research (MS/OR). After surveying a variety of small and large practical problems which can be approached using the methods of management science, students will be able to formulate mathematical models of practical problems, then to solve them and finally to interpret the results, as they might have to do, as managers and business executives of large enterprises making decisions.

The major topics covered are Introduction to Management Science, Linear Programming: Model formulation and applications, Graphical Method, Simplex Method, Transportation Problem, Assignment problem, Network Flow Models, Project Scheduling: PERT/CPM Network, Decision analysis, and Dynamic programming.

**Course Objectives:**

- Introducing some of the techniques, methodologies and models used in Operations Research.
- Developing the ability to formulate models for practical decision making situations in different functional areas of business.
- Becoming familiar with the techniques available to structure mathematical models.
- Solving the resulting models.
- Developing an ability to interpret the solutions to these problems.
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**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Formulate mathematical models of practical problems in Marketing, Production / Operations Management, Finance, Accounting, Human Resources and other areas of business, then to solve them and finally to interpret the results as they might have to do, as managers of large enterprises making decision.

## **Course content:**

### **1. Introduction to Operations Research**

- 1.1 Introduction
- 1.2 Historical Development
- 1.3 Definitions of Operations Research
- 1.4 Models in Operations Research
- 1.5 Elements of Model Construction..
- 1.6 Scientific Method in OR/ Phases of OR Study
- 1.7 Operations Research Techniques.

### **2. Linear Programming: Model Formulation and Applications**

- 2.1 Introduction
- 2.2 Structure of Linear Programming Model
- 2.3 General Mathematical model of Linear Programming Model.
- 2.4 Model Formulation
- 2.5 Examples of LP Model Formulation (LP Applications)

### **3. Linear Programming: The Graphical Method**

- 3.1 Introduction
- 3.2 Graphical Solution Method.
- 3.3 Extreme Point Enumeration Approach
- 3.4 Isa- profit (Cost) Function Approach
- 3.5 Special Cases
- 3.6 Alternative (or Multiple) Optimal Solutions, Unbounded solution, Infeasible Solution, Redundancy.

### **4. Linear Programming : The Simplex Method**

- 4.1 Introduction
- 4.2 Standard Form of the LP Model
- 4.3 Setting up the Initial Simplex Tableau
- 4.4 Improving the Solution
- 4.5 Stopping Criterion
- 4.6 Solving a Minimization Problem Using the Simplex Method
- 4.7 Special Cases
- 4.8 Infeasibility, Unbounded ness, Alternative (Multiple) Optimal Solutions, Degeneracy

## **5. Transportation Problem**

- 5.1 Introduction
- 5.2 A Network Model and LP Formulation for a Transportation Problem
- 5.3 Transportation Tableau
- 5.4 The Balanced Transportation Problem
- 5.5 Methods for Finding Initial solution
- 5.6 North - West Corner Method
- 5.7 Least Cost Method
- 5.8 Vogel's Approximation Method (VAM)
- 5.9 Determining an Optimal Solution
- 5.10 The Stepping-Stone Method
- 5.11 Modified Distribution (MODI) Method
- 5.12 Variations in Transportation Problem
- 5.13 Unbalanced Supply and Demand
- 5.14 Degeneracy
- 5.15 Alternative/ Multiple Optimal Solutions
- 5.16 Prohibited Routes
- 5.17 Maximization Transportation Problem

## **6. Assignment Problem**

- 6.1 Introduction
- 6.2 LP Formulation of the Assignment Problem
- 6.3 Difference Between Transportation Problem and Assignment Problem
- 6.4 The Hungarian Method for Solving an Assignment Problem
- 6.5 Variations of the Assignment Problem
- 6.6 Multiple Optimal Solutions
- 6.7 Maximization Case in Assignment Problem
- 6.8 Unbalanced Assignment Problem
- 6.9 Restrictions on Assignments

## **7. Network Flow Models**

- 7.1 Network Components
- 7.2 The Shortest Route Problem
- 7.3 The Shortest Route Solution Approach
- 7.4 The Minimal Spanning Tree Problem
- 7.5 The Minimal Spanning Tree Solution Approach

- 7.6 The Maximal Flow Problem
- 7.7 The Maximal Flow Solution Approach

## **8. Project Scheduling: PERT/CPM Network**

- 8.1 Introduction
- 8.2 Preparation of (Network) Arrow Diagram
- 8.3 Activity Time Estimates
- 8.4 Computations for Critical Path
- 8.5 Determination of the Critical Path
- 8.6 Probability Considerations in Project Scheduling
- 8.7 Cost Considerations in Project Scheduling (Time-Cost Trade - Offs)

## **9. Decision Analysis**

- 9.1 Structuring the Decision Situation: Payoff Tables
- 9.2 Decision Making without Probabilities
- 9.3 The Criterion of Optimism (Maximax or Minimin)
- 9.4 The Criterion of Pessimism (Maximin or Minimax)
- 9.5 The Minimax Regret Criterion (Savage Criterion)
- 9.6 The Hurwicz Criterion (The Criterion of Realism.)
- 9.7 The Equal Likelihood Criterion (Laplace Criterion.)
- 9.8 Decision Making with Probabilities
- 9.9 Expected Monetary Value (EMV)
- 9.10 Expected Opportunity Loss (EOL)
- 9.11 Expected Value of Perfect Information (EVPI)
- 9.12 Decision Trees. (Graphical Diagram of the Decision making Process).

## **10. Dynamic (Multistage) Programming**

- 10.1 Introduction
- 10.2 Fundamental Concepts of Dynamic Programming
- 10.3 Applications of Dynamic Programming (Students are expected to develop the Network models associated with simple problems and find the optimal solutions.)

## Mode of Study

Lectures, seminars, course manuals, workshops, assignments, self study.

## Recommended Readings:

1. Choudhary, S. (2008), *Operations Research*, 1<sup>st</sup> Edition, Prentice Hall, New Delhi.
2. David R. Anderson, Dennis J. Sweeney, and Thomas A Williams (2007). *An Introduction to Management Science : Quantitative Approaches to Decision Making*, 11<sup>th</sup> Edition, Thomson South - Western.
3. Frederick S. Hillier and Gerald J. Lieberman, (2005) *Introduction to Operations Research*, 8<sup>th</sup> Edition, McGraw Hill, New York.
4. Hamdy A T. (2008), *Operations Research : An Introduction*, 8<sup>th</sup> Edition, Prentice Hall: New Delhi.
5. Sang M. L, Laurence J. M., and Taylor, B.W (1981), *Management Science*, Wm.C. Brown Company Publishers.

**UNIVERSITY OF SRI JAYEWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART III**

**Subject : COM 3505- MANAGEMENT INFORMATION SYSTEMS**

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**Rationale**

This course provides comprehensive and integrative coverage of essential new technologies, information system applications, and their impact on business models and managerial decision-making in an exciting and interactive manner. While the importance of information systems for organizations is emphasized, the course identifies different types of information systems used in organizations.

**Course Objectives:**

- To examine the role of information systems in supporting administrative operations, decision-making, and overall strategic initiatives.
- To focus on the development of information systems and challenges faced by organizations in managing and using information systems.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- understand role of information systems and different types of information systems used in organizations
- examine how information technologies can be exploited to gain competitive advantage for organizations
- understand ethical and social issues related to information systems
- identify different technologies used in information systems
- understand different system development approaches that can be used to develop information systems.

**Course content:**

**1. Information systems in global business today**

- 1.1 The role of information systems in business today
- 1.2 Perspectives on information systems
- 1.3 Contemporary approaches to information systems

- 2. E-business: How businesses use information**
  - 2.1 Business processes and information systems
  - 2.2 Types of information systems
  - 2.3 Systems that span the enterprise
  - 2.4 The information systems function in business
  
- 3. Information systems, organizations, and strategy**
  - 3.1 Organizations and information systems
  - 3.2 How information systems impact organizations and business firms
  - 3.3 Using information systems to achieve competitive advantage
  - 3.4 Using systems for competitive advantage: Management issues
  
- 4. Ethical and social issues in information systems**
  - 4.1 Understanding ethical and social issues related to systems
  - 4.2 Ethics in information society
  - 4.3 The moral dimensions of information systems
  
- 5. IT infrastructure and emerging technologies**
  - 5.1 IT infrastructure
  - 5.2 Infrastructure components
  - 5.3 Contemporary hardware platform trends
  - 5.4 Contemporary software platform trends
  - 5.5 Management issues
  
- 6. Foundations of business intelligence: Databases and information management**
  - 6.1 Organizing data in a traditional file environment
  - 6.2 The database approach to data management
  - 6.3 Using databases to improve business performance
  - 6.4 Managing data resources
  - 6.5
  
- 7. Securing information systems**
  - 7.1 System vulnerability and abuse
  - 7.2 Business value of security and control
  - 7.3 Establishing a framework for security and control
  - 7.4 Technologies and tools for protecting information resources

## **8. Achieving operational excellence and customer intimacy: Enterprise applications**

- 8.1 Enterprise systems
- 8.2 Supply chain management systems
- 8.3 Customer relationship management systems
- 8.4 Enterprise applications: New opportunities and challenges

## **9. E-commerce: Digital markets, digital goods**

- 9.1 Electronic commerce and the Internet
- 9.2 Electronic commerce
- 9.3 M-commerce
- 9.4 Electronic commerce payment systems

## **10. Managing Knowledge**

- 10.1 The knowledge management landscape
- 10.2 Enterprise-wide knowledge management systems
- 10.3 Knowledge work systems
- 10.4 Intelligent techniques

## **11. Building information systems**

- 11.1 Systems as planned organizational change
- 11.2 Overview of systems development
- 11.3 Alternative systems-building approaches
- 11.4 Application development for the digital firm

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings:**

1. Management Information Systems - Managing the Digital Firm, Kenneth C. Laudon and Jane P. Laudon, 12<sup>th</sup> Edition, Prentice Hall, 2012.



**UNIVERSITY OF SRI JAYWARDENEPURA**  
**BACHELOR OF COMMERCE (GENERAL) EXTERNAL DEGREE**  
**DEGREE PART III**

**Subject : COM 3506 - THEORY AND PRACTICE OF BANKING**

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**Rationale**

This is an intermediate level course that provides the student with knowledge of the theory and practice of the banking operation especially in the context of banking system in Sri Lanka.

**Course Objectives:**

- To provide students with a good understanding of the role of banks and other financial institutions in the financial system, the rationale for their regulation, the ways in which they are regulated and their contribution to the global financial crisis, so this can be used for advanced study.

**Expected Main Learning Outcomes:**

Upon completion of this course, the students will be able to:

- Describe and understand the function of the banking system and the other main financial institutions and round the world
- Understand the structure and degree of independence of central banks and conduct of monetary policy
- Demonstrate knowledge of the theory and practice of regulation of the financial system and banking in particular
- Show an understanding of the role of banks in causing the global financial crisis and how central banks responded to the crisis
- Understand how to benefit from the role of banks as intermediaries in the economy and to understand the risks that are involved in banking as bankers, depositors and borrower.

## **Course content:**

### **1. Banking System in Sri Lanka**

- 1.1 As a constituent part of the financial system.
- 1.2 Financial Intermediation process.
- 1.3 New trends in the Sri Lankan Banking system

### **2. Banker customer relationship**

- 2.1 Legal and statutory provisions regarding the relationship.
- 2.2 Evolution of Bank customer relationship and current developments of the relationship.
- 2.3 General principles, obligations and rights of Banker and Customer.
- 2.4 Prevention of incidents of money laundering and terrorist financing through the Banking system, Financial Intelligence unit - CBSL.

### **3. Negotiable Instruments**

- 3.1 Characteristics of negotiable instruments.
- 3.2 Uses of negotiable instruments in commercial activities.

### **4. Cheque**

- 4.1 Introduction to cheques
  - 4.1.1 Definition
  - 4.1.2 Bearer cheques and order cheques.
  - 4.1.3 Main parties of a cheque.
  - 4.1.4 Holder in due course, Holder for value and Holder.
- 4.2 Cheques and crossings
  - 4.2.1 Types of Crossings.
    - 4.2.1.1 General Crossings
    - 4.2.1.2 Special Crossings.
  - 4.2.2 Persons authorized for crossing and cancellation of crossings.
  - 4.2.3 Effect of Crossing.
- 4.3 Cheques and Endorsements
  - 4.3.1 Types of Endorsements.
  - 4.3.2 Valid Endorsement.
  - 4.3.3 Endorsement and Drawee.

### **5. Payment of Cheques**

- 5.1 Facts to be considered by a banker prior to the payment of a cheque.
- 5.2 Statutory protection for drawee.
- 5.3 Notice of Dishonour.

## **6. Collecting of cheques**

- 6.1 Liabilities of a collecting banker.
- 6.2 Collecting banks and third parties.
- 6.3 Conversion.
- 6.4 Estoppel.
- 6.5 Contributory negligence.
- 6.6 Statutory Law Protection for collecting banks.

## **7. Collection and clearing process of cheques and other related instruments**

- 7.1 Evolution of payment and settlement system in Sri Lanka
- 7.2 CITS (cheque Imaging and Truncating System)
- 7.3 Bankers involvement in the clearing process
- 7.4 Cheques in clearing practices in view of image clearing.

## **8. Opening and Operation of different types of accounts**

- 8.1 Documents required to open a current account
- 8.2 Legal position according to the type of the customer
- 8.3 Prevention of money laundering and terrorist financing at the time of opening accounts.
- 8.4 Know your customer (KYC) and customer due diligence (CDD).

## **9. Services provided by bankers**

- 9.1 Types of savings
- 9.2 Time deposits.
- 9.3 NRFC / RFC.

## **10. Types of Advances**

- 10.1 Loans, Overdraft, Pledge, Bank draft, Trust receipts, guarantee facilities, Hypothecation leasing, and pawning, Hire Purchase.
- 10.2 Types of securities.
- 10.3 Securities and documents obtained in granting loans and advances.
- 10.4 Registration of security documents.
- 10.5 Stamp duty.
- 10.6 Credit evaluation process and Managing credit risk

## **11. Services provided by commercial Banks using modern technology**

- 11.1 Credit Card.
- 11.2 Personal Banking facilities/ Home Banking/ M-banking.
- 11.3 Telegraphic Transfers / Fax Transfers.
- 11.3 SLIPS - Sri Lanka Interbank Payment System.
- 11.4 SWIFT Society for Worldwide Interbank Financial Telecommunication.
- 11.5 Automated Teller Machine.

### **Mode of Study**

Lectures, seminars, course manuals, workshops, assignments, self study.

### **Recommended Readings:**

1. Chorley Lord, Law of Banking, Sir Isaac Pitman & Sons Ltd., London.
2. Doyle E.P., Practice of Banking, Macdonald & Evans Ltd., London.
3. Holden J.M., Studies in Practical Banking, sir Isaac Pitman & Sons Ltd., London.
4. Holden J.M., The law & Practice of Banking, Sir Isaac Pitman & Sons Ltd., London.
5. Jones R.W., Studies in Practical Banking, Isaac Pitman & Sons Ltd., London.
6. Journals and Publications Published by the Institute of Bankers of Sri Lanka.
7. Journals Published by the Commercial Banks.
8. Karunatilake H.N.C., Banking & Financial Institutions in Ceylon.
9. Marketing Borchures, Published by the Commercial Banks.
10. Megrah, Maurice Tytler, F.R., Paget's Law of Banking.
11. Perry F.E., Law & Practice relating to Banking, Penguin Books Ltd., London.
12. Training Institute of Ceylon.
13. Weerasooriya, W.S., Case book on the law of Banking cheques in Ceylon, Bankers'



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