

**Himachal Pradesh
Public Service Commission**

No.09-04/2022-PSC (R-IV)

Dated: 14.05.2024

Syllabus for Paper-II i.e. Descriptive Type Subject Aptitude Test (SAT) for the recruitment to posts of Area Manager, Class-I (on contract basis) in H.P. State Co-Marketing and Consumer Federation under the Department of Cooperation, H.P. The SAT will be of 03 hours duration having 120 marks as follows:-

Finance & Marketing (Common for all candidates) (60 marks)

1. Management Practices & Organizational Behavior

Management: Meaning, Nature, Significance and Evolution of Management Thought.
Managing Individual Behaviour- Perception, Personality, Attitude and Emotional Intelligence.
Managing Group Processes- Group Dynamics. Organizational Culture. Organizational learning.
Organizational Change and Organizational Development.

2. Managerial Economics

Nature and Scope of Managerial Economics. Basic economic concepts used in managerial decision making; objective of a firm; Wealth, Profit, Sales and Value maximization. Understanding demand function: law of demand, Elasticity of demand and its significance in managerial decision-making; Consumer equilibrium- utility and indifference curve approach; Price, Income and substitution effects; Essentials of demand estimation and forecasting. Short run and long run costs and Production functions; Cost curves and economies of scale: Price and output determination under Perfect Competition, monopoly, monopolistic competition and oligopoly. Pricing strategies and tactics.

3. Indian Ethos & Business Ethics

Indian Ethos: Introduction, Management lessons from Vedas, Mahabharata, Bible, and Quran.
Work Ethos and Values for Indian Managers; Relevance of value-based management in global perspective.
Indian Systems of Learning-Gurukul system of learning, Karma philosophy and its importance to Managers Nishkama Karma- Laws of Karma, Law of Creation- Law of Humility- Law of Growth- Law of Responsibility Law of connection - Corporate Karma Leadership.
Business Ethics: Meaning, scope and Theories of Ethics, Absolutism verses Relativism, Teleological approach, and the Deontological approach. Ethical issues pertaining to various functional areas of business management.

4. Fundamentals of Management

Introduction to Management- Definition, Levels and Functions of Management. Managerial Roles and Skills. Approaches of Management- Classical Approach, Scientific Management, Behavioural Approach, Quantitative Approach, System Approach and Contingency Approach.

Planning and Decision Making- Planning Process and Types of Plan. Management By Objectives. Types of Decisions and Decision-Making Process.

Organising - Principles of Organising. Organisational Design and Organisational Structure.

Leading and Motivation- Leadership Styles and Skills. Types and Various Theories of Motivation.

Controlling- Types of control and Controlling Process. Essentials of an Effective Control.

5. I.T. Skills for Managers

Introduction to Information Technology and Business: Concept of data, information and computer-based information system.

Types of Information Systems- Transaction processing System (TPS), Management information System (MIS), decision support System (DSS), Knowledge management System (KMS) and their implementation at managerial levels.

IT applications in functional areas of management; Production /Operations, Marketing, Human Resource and Finance.

Digitalization of businesses: Issues, opportunities and challenges. IT applications in financial services, healthcare and retailing

Recent trends in Information technology.

6. Financial Institutions and Market

A. Indian Financial System and Institutions:

Structure of Indian Financial System: An overview of the Indian financial system, major reforms Commercial Banking, Universal Banking: need and importance, RTGS and internet banking.

RBI, SEBI, IRDA, PFRDA, Corporate Governance and SEBI Role of central bank and commercial banks, CAMELS rating system, Basel Norms, MCLR based lending, NBFCs and its types; comparison between Banks and NBFCs.

B. Financial Markets in India:

Introduction to Financial Markets in India: Role and Importance of Financial Markets, Types of Financial Markets: Money Market; Capital Market; Factors affecting Financial Markets, Linkages Between Economy and Financial Markets, Integration of Indian Financial Markets with Global Financial Markets.

Money Market: Meaning, role and participants in money markets, Segments of money markets, Call Money Markets, Repos and reverse Repo concepts, Treasury Bill Markets, Market for Commercial Paper, Commercial Bills and Certificate of Deposit.

Capital Market: Introduction and meaning, Primary and Secondary market, Major Instruments traded in stock markets, DEMAT System, Algorithmic trading, Settlement mechanism at BSE & NSE. Corporate Listings: Listing and Delisting of Corporate Stocks, Market for Government/Debt Securities in India, Secondary market for government/debt securities, Government securities issued

by State Governments, Municipal Bonds, Corporate Bonds vs. Government Bonds, Commodity Markets – Structure, Operations and trends.

7. Investment Analysis and Portfolio Management

Investment: Concepts of Investment, Speculation, Gambling, Hedging, Securities, Security Analysis, Modes of Investment (List), Features of Investment Avenues Guidelines for Investors in Stock Market

Risk & Return Analysis: Concepts of Risk, Return, Uncertainty Risk and Return Relationship Components of Return – Risk Elements – Systematic and Unsystematic Risks

Fundamental Analysis - Economic Analysis, Industry Analysis, Company Analysis, Technical Analysis

Portfolio Selection & Management: Efficient Market Theory, Random Walk Theory, Portfolio Risk/Return, Traditional portfolio Selection, Capital Assets Pricing Model, Valuation of Securities.

8. Strategic Management

Introduction to Strategic Management. Strategic Management Process. Levels of Strategy in an Organisation.

Strategic Formulation- Company's Vision, Mission and Objectives. Environmental and Organisational Appraisal. Strategic Alternatives and Choices.

Strategic Implementation- Structural, Behavioural and Functional Implementation.

Strategic Evaluation and Control- Process and Techniques.

Subject Specific Syllabus

(60 marks)

{Financial Management}

- Financial Management: Concept and Functions.
- Scope and Sources of Finance; Time value of Money.
- Cost of Capital: Meaning, Importance and Measurement of cost of different type of capital.
- Capital structure and its theories.
- Capital budgeting decisions: Importance and different techniques of capital budgeting analysis.
- Dividend decision: types, Theories and policies.
- Working Capital Management: Types, nature and sources; Cash Management; Receivables Management, Inventory Management.
- Leverage: Operating Leverage, Financial Leverage and Combined Leverage; EBIT-EPS Analysis, Financial Breakeven Point & Indifference Level, Risk and Return Analysis.
- Budgeting and Budgetary Control, Zero base Budgeting.
- Lease: Meaning and Types; Factoring: Concept and Types.
- International Financial Management.
- Foreign exchange market.
- International Financial Instruments: Euro currency; GDRs; ADRs.

{Marketing Management}

- Introduction to Marketing; Meaning, Nature, Scope and Evolution of Marketing, Marketing Environment and its implications for Marketers and Marketing Mix.
- Role of Marketing Information System and Marketing Research in the Modern Marketing.
- Consumer Behavior: Theories and Models of Consumer Behavior.
- Market Segmentation, Targeting and Positioning.
- Product Decisions: Concept, Product Line, Product Mix Decisions, Product Life Cycle; New Product Development.
- Branding and Packaging Decisions: Role of Brands, Brand Equity, Equity Models, Developing a Branding Strategy, Brand Name decisions, Brand Extensions and Loyalty; Packaging Concept, Functions and Strategies.
- Pricing Decisions: Factors affecting Price determination, Pricing Policies and Strategies.
- Promotions Decisions: Integrated Marketing Communication, Role of Promotion in Marketing, Promotion Mix; Promotion Methods, Advertising, Personal Selling, Publicity, Sales Promotion tools and techniques.
- Distribution Decisions: Channels of Distribution and Channel Management, Vertical Marketing System.
- Service Marketing: Characteristics of Services, Service Quality Models, Marketing Strategies of Service firms.
- Customer Relationship Management: Relationship Building, Strategies, Value and Process, E-CRM.
- Retail Marketing - Recent Trends in India, Types of Retail Outlets.
- Emerging Trades in Marketing – Concept of E-Marketing, Direct Marketing, Digital Marketing, Rural Marketing and Sustainable Marketing.

Sd/-

Section Officer (R-III)

H. P. Public Service Commission