

First Year B.Com. - Accounting & Finance

FIRST YEAR - SEMESTER I

1.1	Financial Accounting : Paper - I	(Elements of Financial Accounting)
1.2	Cost Accounting : Paper- I	(Introduction and Elements of Cost)
1.3	Economics L Paper - I	(Micro Economics)
1.4	Commerce : Paper -I	(Business Environment)
1.5	Information Technology : Paper - I	(Introduction & Elements)
1.6	Business Communication : Paper -I	
1.7	Foundation Course : Paper-I	(Fundamentals of Environment Management)

FINANCIAL ACCOUNTING PAPER - I

ELEMENTS OF FINANCIAL ACCOUNTING

Module 1.1

1. Introduction to Accounting
2. **Meaning & Scope of Accounting** : Need. Objectives. Functions. Development & Definition of Accounting. Book keeping & Accounting. Users of Accounting. Disclosures. Branches of Accounting. Objectives of Accounting. Methods of Accounting. Limitations of Accounting
3. **Accounting Principles**: Accounting Concepts. Accounting Convention. Accounting Standard
4. **Accounting Procedure**: Accounting Cycle. Rules of debit & credit. Journal. Subsidiary Book. Ledger. Opening Entry. Trial Balance
5. **Capital, Revenue & Deferred Revenue Expenditure & Receipt**:
Expenditure. Importance and tests:
Capital Expenditure. Revenue Expenditure. Distinction between Capital Expenditure and Revenue Expenditure. Deferred Revenue. Unusual Expenses. Effect or Error. Criteria Tests
Receipts:
Capital Receipts. Revenue Receipts. Distinction between Capital Receipts and Revenue Receipts
Profit or Loss : Revenue and Capital
6. **Reconciliation & Rectification**:
Bank Reconciliation
Cash book to Bank statement (including overdraft). Bank statement to Cash book(including overdraft)
Debtors & Creditors Reconciliation
Customer A/C in Proprietor's book & vice versa. Supplier's A/C in Proprietor's book & vice versa.
Rectification
Types and Rectification of entries excluding suspense a/c.

7. Depreciation, Provisions & Reserve:

1. Practical problems based on accounting treatment by provision for depreciation using Straight line & reducing balance method.
2. Presentation of fixed assets in the Final accounts of Sole Trader.

8. Final Accounts:

1. Introduction
2. Adjusting & closing entries
 - a) Outstanding expense & Outstanding Incomes
 - b) Prepaid expenses & Incomes received in advance
 - c) Depreciation
 - d) Bad debts, Provision for bad and doubtful debts, reserve for discount on Debtors/ Creditors
 - e) Goods or material or cash withdrawn by proprietor
 - f) Sales or purchases include fixed assets and investments
 - g) Goods or materials lost by fire, theft, etc. Goods sent on sales or return basis
 - h) Rectification of errors
3. **Preparation of Final Accounts in Horizontal Format**
 - a) Manufacturing Account
 - b) Trading Account
 - c) Profit and Loss Account
 - d) Balance Sheet

COST ACCOUNTING - PAPER 1

INTRODUCTION AND ELEMENT OF COST

Module 1.2

1. **Introduction** : Evolution, Objectives, Importance & Advantages of Cost Accounting, Difference between Cost Accounting & Financial Accounting, Limitations of Financial Accounting.
2. **Cost Concepts** : Cost Accounting. Classification of Costs with different parameters. Cost Allocation & Apportionment
3. **Material Cost** : Material control procedure. Documentation. Stock Ledger, Bin card. Stock levels. E.Q.C
4. **Labour Cost** : Composition of Labour cost, Labour cost records, Overtime/ Idle time/ Incentive Schemes.
5. **Overhead Cost** : Classification and Allocation & Absorption of Overheads
6. **Cost Sheet** : Preparation of Cost sheet of a manufacturing concern.

Note - Relevant Law in force and relevant accounting standards in force on 1st April immediately preceding the commencement of academic year are applicable for ensuing examinations after relevant year.

ECONOMICS : PAPER I

MICRO ECONOMICS

Module 1.3

1. **Introduction** : Scarcity, choice and efficiency (with reference to PPC) - Basic tools of economic analysis: equations, functions, identities, slope, time - series, cross- section analysis, scatter diagrams, derivatives and limits.
2. **Demand and Supply** : Determination of equilibrium price in an open market system. Elasticity of demand - Price, Income, Cross - Promotional elasticity of demand – its measurement and its application in business decisions. Demand forecasting: Survey and statistical methods.
3. **Production Function** : Production function - Laws explaining production function in the short and the long run - Internal and External economics.
4. **Cost And Revenue Analysis**: Cost concepts- Behaviour of costs in the short-run and long run. Revenue concepts - Break-even Analysis.
5. **Market Structure**: Features of perfect competition and monopoly- Concepts of price discrimination-equilibrium, under dumping. Features of Monopolistic competition. Oligopoly – Price indeterminateness - Cartel formation. Different forms of price leadership.(Case Studies)
6. **Project Planning & Pricing Practices**:
Project Planning : Meaning & Significance. Steps in Investment Appraisal.
Pricing Practices: Marginal cost pricing - Cost plus pricing - Transfer pricing - Case studies of Pricing practices.

COMMERCE : PAPER - I

BUSINESS ENVIRONMENT

Module 1.4

1. **Business**
 - a) Definition, Features, Functions, Scope & Significance
 - b) Evolution from local to global state
 - c) Changing Scenario since liberalisation
2. **Business Structure**
 - a) Concepts - and terms
 - b) Structural relationship of Business components - like trade, Industry, commerce & services.
 - c) Various sectors & business units in the economy like private, public IT sectors & Co-op sectors

3 **Business Environment**

- a) Environment - Concept & Significance - Economic - political - Social - Technological - Legal - Cultural & Ecological Environment
- b) Inter -dependence of Business Environment
- c) Educational Environment & business — Career options in Business;

4. **International Environment**

- a. International Environment- Overview
- b. Trends in world & the problems of developing countries
- c. Foreign Trade & economic growth

5. **Business Objectives:**

- a. Business Objectives
- b. Multiplicity of Objectives
- c. Organic Objectives- Survival- Growth- Image

6. **Business & Social Control:**

- a. Business & Government
- b. Consumerism & Consumer Movement
- c. Social Audit
- d. Role of NGOs

INFORMATION TECHNOLOGY : PAPER I

Module 1.5

1. **Introduction to Computers:**

- a. Definition of computer, hardware, software, generation of computer, its parts of computer (block diagram) & types of computer.
- b. I/O devices- keyboard, mouse, printer, plotter
- c. Storage devices- primary & secondary memory
- d. Software- concept of system software & applications software
- e. Operating system- DOS, UNIX, WINDOWS.

2. **Office Productivity Tool:**

- a. MS-WORD- Uses of word, creating, editing, formatting & printing documents, use of tools such as spell check, thesaurus etc....
- b. MS-EXCEL- Application of spreadsheet related to accounting & finance, creating dynamic & sensitive worksheet using graphics & formatting of worksheet.
- c. MS-POWERPOINT- Creating, editing, formatting, animation, customization, transition of slides using graphics into slide show.

3 **Introduction to Accounting package:**

Introduction to computerized accounting, importance & application of accounting package, advantages & disadvantages of computerized accounting.

a. Introduction to Tally Accounting Information:

- i. Opening screen of tally, creating company, loading/selecting company, shutting a company, altering / modifying Existing Company, configuring company.
- ii. Menu related to accounts, groups, managing groups & multiple groups.
- iii. Ledgers- creating single ledger, advanced usage, displaying ledgers, Altering multiple ledgers.

b. Vouchers in Tally:

- i. Predefined vouchers: Contra vouchers, Sales vouchers, Payment vouchers, Receipt vouchers, Journal vouchers, Memo vouchers, Optional vouchers & postdated vouchers
- ii. Configuring Vouchers, Creating/Customizing Vouchers, Displaying vouchers & Altering Vouchers.

c. Reports:

Trial balance, Balance sheet, Profit & Loss A/c, Account books, Statement of accounts, Bank reconciliation statement, Day book.

BUSINESS COMMUNICATION : PAPER - I

Module 1.6

1. Introduction to Communication:

The concept of communication; Definitions of communication; Process of effective communication; Significance of feedback; Attributes of communication Importance of communication in corporate world.

2. Methods of Verbal Communication:

Nature & definition of Verbal Communication; Oral communication- definition, advantages & disadvantages; Written communication- definition, features, advantages & disadvantages in business world. Tips for making verbal communication effective.

3. Formal dimensions of corporate communication:

- a. Introduction & Hierarchical structure
- b. Downward- definition, merits & demerits
- c. Upward- definition, advantages and disadvantages.
- d. Horizontal- definition, strengths and limitations.

4. Informal dimensions of communication:

Nature & Importance. Grapevine communication- definition & salient features. Advantages & disadvantages of grapevine. Types of grapevine chains. Effective use of grapevine

5. Listening & Improving communication:

- a. Nature & definition of Listening
- b. Process of effective listening
- c. Barriers of effective listening
- d. Guidelines for effective listening

6. Business English:

Introduction & Importance of English in business. Commercial English. Features of Commercial English. English for Business

FOUNDATION COURSE : PAPER I

Module 1.7

1. **Fundamentals of Business** : Concept- Business, profession, employment. Comparison of business, profession and employment. Business risks- Features & causes. Basic factors of starting a business
2. **Business & Society** : Ecology and Business : Meaning and environment. Ecology and Ecology balance. Relationship between Ecology & Business. Protection of environment & need for pollution control. Environment Audit
3. **Social responsibilities of Business** : Concept of Social responsibilities. Cases for & against Social responsibilities
4. **Business Ethics** : Concept and Need. Principles of Business ethics
3. **Business & basic commercial information:**
 - a. Introduction of Commerce
 - b. Classification of business activities. (Business = Industry+ Commerce)
 - c. Managerial response to change in business environment- MIS forecasting, Experts, Innovations, Path of least resistance, Acquisition, Merger, Joint venture etc....
 - d. Commercial Terms :

i) Services	ii) Outstanding	iii) E-commerce
iv) M-commerce	v) Infrastructure	vi) Bank assurance
vii) Liberalizations	viii) Privatization	ix) Globalization
 - x) Profit
4. **Business & basic accounting information:**
 - a. Meaning & objects of accounting
 - b. Accounting as a source of information
 - c. Internal & external users of accounting information and their need
 - d. Accounting terms like Assets, Liabilities, Capital, Expenses, Income, Expenditure, Revenue, Debtors, Creditors, Goods, Stock, Voucher, Transaction, Drawings.
5. **Basic Economic Challenges:**
 - a. Poverty- Absolute & relative, main programs for poverty alleviation
 - b. Rural development key issues- credit and marketing, co-operatives, alternatives to farming, organic farming.
 - c. Employment- Problems & Policies
 - d. Infrastructure- Meaning, types and problems a critical assessment.
6. **Organization & Management:**
 - a. Organization- Meaning & Features
 - b. Management- Meaning & Features
 - c. Difference between organization & management.

First Year – Semester II

2.1	Financial Accounting : Paper - II	(Special Accounting Areas)
2.2	Auditing : Paper - I	(Introduction and Planning for Audit)
2.3	Financial Management : Paper - I	(Introduction to Financial Management)
2.4	Taxation : Paper - I	(Indirect Taxes Paper-1)
2.5	Business Law : Paper - I	(Business Regulatory Frame work)
2.6	Quantitative Methods for Business	
2.7	Business Communication : Paper - II	

FINANCIAL ACCOUNTING : PAPER- II

SPECIAL ACCOUNTING AREAS

Module 2.1

- 1. Stock Valuation and Valuation of inventory:**
 - a. Methods of Stock valuation as per AS-2
 - b. Problems of stock Valuations on FIFO and Weighted Average Method
(Preparation of stock register/store register by applying FIFO and Weighted Average Method of Stock Valuation)
 - c. Problems on Reconciliation of stock- Stock verification on prior or subsequent to year end.
- 2. Accounting of Departmental Store(including mall):**
 - a. Meaning
 - b. Basis of allocation(of expenses and income/receipts)
 - c. Inter Departmental Transfer : i) At cost price ii) At invoice price
 - d. Stock Reserve
 - e. Problem based on Departmental trading and profit and loss account and balance sheet
- 3. Single Entry System of Accounting:**
 - a. i. Introduction ii. Feature iii. Limitations
 - b. Problems based on conversion of single entry into double entry
- 4. Final Accounts of Non Profit making organization:**
 - a. Meaning
 - b. Problem based on Preparation on incomes and expenditure account and Balance Sheet from receipt and payment and opening Balance sheet
 - c. Problem based on Preparation of Receipt and payments Account from the income and Expenditure and balance sheet
- 5. Branch Accounting:**
 - a. Branch accounting in Head office books-
 - i. Memorandum Debtors Method
 - ii. Stock and Debtors method
 - iii. Independent branch
 - iv. Accounting under separate books
- 6. Accounting in Computerized Environment**
 - i. An overview of computerized environment
 - ii. Features of computerized accounting system
 - iii. Concept of grouping of accounts
 - iv. Codification of accounts
 - v. Maintaining the hierarchy & ledgers
 - vi. Accounting Packages & consideration of them in selection

AUDITING : PAPER – I

INTRODUCTION PLANNING AND TECHNIQUES OF AUDITING

Module 2.2

1. **Auditing:- Introduction:**

Evolution. Definition. Scope. Objectives. Functions. Principles. Advantages and Limitations of Auditing

2. **Types of Audit:**

- | | | |
|-------------------------|------------------------------------|-----------------------|
| (a) Statutory Audit | (b) Non-Statutory & Internal Audit | (c) Concurrent Audit |
| (d) Interim Audit | (e) Cost Audit | (f) Tax Audit |
| (g) Balance sheet Audit | (h) In-depth Audit | (i) Cash Audit |
| (j) Special Audit | (k) Management Audit | (l) Operational Audit |
| (m) Efficiency Audit | (n) Propriety Audit | |

3. **Audit Planning :**

- | | |
|----------------------------|--|
| (a) Appointment of Auditor | (b) Letter of Communication |
| (c) Audit Programme | (d) Working Papers |
| (e) Audit Memorandum | (f) Audit Notebook |
| (g) Audit Markings | (h) Control over the Quality of Audit Work |

4. **Vouching:**

Meaning. Requirements of a Voucher. Vouching of income and expenses

5. **Verification :**

- | | |
|------------------------------|--------------------------------|
| (a) Cash verification | (b) Stock verification |
| (c) Fixed Asset verification | (d) Share Capital verification |
| (e) Liabilities verification | (f) Bank verification |

6. **Reading of Ledgers:**

- | | | |
|-----------------------|----------------------|-------------------|
| (a) Personal Accounts | (b) Nominal Accounts | (c) Real Accounts |
|-----------------------|----------------------|-------------------|

FINANCIAL MANAGEMENT : PAPER - 1

Module 2.3

INTRODUCTION TO FINANCIAL MANAGEMENT

1. **Introduction to financial management :** Evolution. Meaning. Importance. Scope and objective of financial management. Conflicts in principles of profits V/S Value Maximization
2. **Capital Budgeting :** Nature of investment decisions. Investment evaluation criteria. Payback Period. Accounting rate of return. Profitability index. NPV and IRR comparison
3. **Concepts in valuation :** The time value of money. Present Values. Internal rate of return or yield. Bond returns. The returns from stock investment

4. **Financial Analysis** : Basic concepts of balance sheet, Profit and Loss. Ratios. Fund flow, Cash Flow & Working Capital (excluding problems - Basics concepts only)
5. **Cost of Capital** : Significance of cost of capital. Cost of debt, Preference shares, Equity capital and Retained earnings. Combined (Weighted) cost of capital
6. **Valuation of securities** : Valuation of shares. Valuation of bonds

TAXATION : PAPER-1

Module 2.4

INDIRECT TAXES PAPER-1

A. CENTRAL SALES TAX ACT 1956

1. Definitions
2. Principles of determination inter-state Sales and Purchases
3. Liabilities and Rate

B. THE MAHARASHTRA VALUE ADDED TAX ACT, 2002.

1. Definitions
2. Incidence & Levy of Tax
3. Payment of Tax & Recovery of set off & refund

I. CENTRAL SALES TAX ACT 1956

1. Definitions :

u/s. 2(aa) Business, u/s. 2(b) Dealer, u/s. 2(c) Declared Goods, u/s. 2(g) Sale, u/s. 2(h) Sales Price

2. Principals of determination inter-state Sales and Purchases :

u/s. 3 Sale & Purchase in course of inter-state trade or commerce, u/s. 4 Sale or Purchase out side state, u/s. 5 Sale or Purchase in the course of import or export

3. Liabilities & Rate :

u/s. 6 Liabilities to tax and u/s.8 Rate of tax

II. THE MAHARASHTRA VALUE ADDED TAX ACT, 2002

1. Definitions :

Section : 2(4) Business, 2(8) Dealer, 2(12) Goods, 2(13) Importer, 2(15) Manufacture, 2(20) Purchase Price, 2(22) Resale, 2(24) Sales, 2(25) Sales Price, 2(27) Service, 2(33) Turnover of sales

2. Incidence & Levy of Tax

u/s. 3 Incidence of Tax; u/s. 4 Tax Payable, u/s. 5 Tax no leviable on certain goods, u/s. 6 Levy of Sales Tax on goods Specified in the schedule, u/s. 7 Rate of Tax on Packing Material, u/s. 8 Certain Sales & Purchases not liable to tax

3. Payment of Tax & Recovery, set off & refund

Section : 42 Composition of Tax

Set-off, Refunds etc. u/s. 48 & 49 Set-off, refund etc. along with rules 52, 53, 54

BUSINESS LAWS - I

BUSINESS REGULATORY FRAMEWORK Module 2.5

1. **Law of Contract - 1872**
 - a) Nature of Contract
 - b) Classification of Contracts
 - c) Offer & Acceptance
 - d) Capacities of Parties to Contract
 - e) Free Consent
 - f) Consideration
 - g) Legality of Object
 - g) Agreement declared Void
 - i) Performance of Contract
 - j) Discharge of Contract
 - k) Remedies for breach of contract
2. **Special Contracts**
 - a) Indemnity
 - b) Guarantee
 - c) bailment & pledge
 - d) Agency
3. **Sales of Good Act 1930**
 - a) Formation of contract of sale
 - b) Goods & their Classification
 - c) Price, Conditions & Warranties
 - d) Transfer of Properties in Goods
 - e) Performance of the Contract of Sales
 - f) Unpaid Seller & his rights
 - g) Sale by auction
 - h) Hire purchase agreement
4. **Negotiable Instrument Act, 1881**
 - a) Definition of negotiable instruments
 - b) Features of negotiable instruments
 - c) Promissory note
 - d) Bill of Exchange & Cheque
 - e) Holder & holder in the due course
 - f) Crossing of a Cheque
 - g) Types of Crossing, Negotiation
 - h) Dishonor & discharge of negotiable instruments
5. **The Consumer Protection Act, 1986**
 - a) Salient features
 - b) Definition of Consumer
 - c) Grievance redressal machinery
6. **Foreign Exchange Management Act, 2000**
 - a) Definition & main provisions

QUANTITATIVE METHODS FOR BUSINESS - I

Module 2.6

1. **Introduction**
 - a) Meaning, Scope & limitation of Statistics
 - b) Concepts of statistical population & sample from a population
 - c) Qualitative & Quantitative Data
 - d) Discrete & Continuous Data
 - e) Primary & Secondary Data
2. **Presentation of Data**
 - a) Construction of table
 - b) Univariate frequency distribution of discrete & continuous variables
 - c) Cumulative frequency distribution
 - d) Graphical representation of frequency distribution, Histogram, Frequency Polygon, frequency Curves & Ogives
 - e) Diagrammatic representation using bar diagrams
 - f) Pie chart & Rectangle

3. **Analysis of Quantitative Data**
 - a) Measures of Central tendency or location
 - b) Arithmetic mean (simple & weighted), Geometric mean
 - c) Median, Quartiles, Deciles, Percentiles, Mode, Merits, Demerits & uses of Mean, Median & Mode
 - d) Requirements of a good average
4. **Measures of Dispersion**
 - a) Range, Semi-inter quartile range, Mean absolute deviation, Standard deviation
 - b) Coefficient of Variation
5. **Index Numbers**
 - a) Index number as a comparative tool
 - b) Simple & Composite Index Number
 - c) Laspeyre's, Paasche's, Marshal Edgeworth's, Bowley's & Fisher's Index Numbers.
 - d) Cost of Living Index Number
 - e) Real Income concept of wholesale price Index Number
6. **Elementary Calculas**
 - a) Introduction to function & limit (concept only)
 - b) Differentiation
 - c) Derivatives of x^n , e^x , a^x , \log^x .
 - d) Law of derivatives for sum, product & quotient of two function of x .
 - e) Application of derivatives
 - f) Maxima & Minima (Statement of sufficient conditions in terms of first & second order derivatives)
 - g) Simple applications in Economics, Commerce & Management

BUSINESS COMMUNICATION : PAPER - II

APPLICATION IN BUSINESS

Module 2.7

1. **Interviews** : Definition & Importance. Types of Interviews. Conducting an Interview. Preparation made by the Interviewer. Preparation made by the Interviewee. Letters of application & resume
2. **Barriers To Effective Business Communication** : Nature & definitions of Barriers. Physical Barriers - Types & Illustrations. Semantic Barriers - Types & Illustrations. Psychological Barriers - Types & Illustrations. Guidelines for removal of Barriers
3. **Non-verbal Aspects Of Business Communication** :Nature & definitions. Kinesics - Facial Expression, Gesture :Posture, eye contact, silence. Para - Language & Importance of voice. Word accent & sentence accent. Advantages & Limitations of Para language. Exercises in voice modulation
4. **Theory & Practice Of Advanced Commercial Correspondence**
Basics of letter writing. Parts & layouts of Business Letter.
Functions of Business Letter : Letter of inquiry, Letter of order, Letter of complaint, Letter of sales, Letter of collection
5. **Report Writing** : Nature & definitions , Types of Report, Structure of Report, Exercises in formal report writing
6. **Presentation** : Nature, Importance Definition. Structure of Presentation. Guidelines for effective esentation. Exercise in presentation. Fax-E-mail & Video - conferencing

Second Year B.Com. - Accounting & Finance

SECOND YEAR – SEMESTER III

3.1	Financial Accounting : Paper- III	(Special Accounting Areas)
3.2	Cost Accounting - Paper -II	(Methods of Costing)
3.3	Auditing : Paper : II	(Technique of Auditing)
3.4	Economics : Paper - II	(Macro Economics)
3.5	Business Law: Paper - II	(Company Law)
3.5	Management : Paper -I	(Principles of management)
3.7	Foundation Course : Paper -II	(Fundamentals of Investment Analysis)

FINANCIAL ACCOUNTING : PAPER III

Module 3.1

1. Admission of Partner

- a. Revaluation of assets and liabilities (through Profit & loss Adjustment Account)
- b. Accumulated Profit & losses And Fictitious assets appearing in the Balance Sheet
- c. Computation of Sacrifice ratio / New Profit sharing ratio
- d. Treatment of goodwill brought in cash/goodwill raised in books/Goodwill raised & written off
- e. Adjustments of Capital
- f. Preparing journal /ledger Account
- g. Revised Balance sheet

2. Retirement / Death of Partner:-

- a. Revaluation of assets and liabilities (through Profit & loss Adjustment Account)
- b. Accumulated Profit & losses And Fictitious assets appearing in the Balance Sheet
- c. Computation of gain ratio / New Profit sharing ratio
- d. Treatment of goodwill brought in cash/goodwill raised in books / Goodwill raised & written off
- e. Adjustments of Capital
- f. Preparing journal /ledger Account
- g. Revised Balance sheet

3. Dissolution of Partnership firm

- a. Entries to close the books of accounts/ ledger accounts
- b. Insolvency of one or all the partners
- c. Adjustments of Partners based on Profit sharing ratio
- d. Treatment f unrecorded assets/liabilities (excluding Garner v/s Murray)

4. Piecemeal Distribution of cash

- a. Excess Capital Method and Maximum Loss Method
- b. Assets/Liabilities taken over by partner
- c. Treatment of past profit or past losses in the Balance Sheet
- d. Contingent liabilities /realization expenses /amount kept aside for expenses and adjustment of actual
- e. Treatment of secured liabilities, Treatment of preferential liabilities like Govt. Dues / labour dues etc

5. **Partnership Final Accounts based on adjustment on admission or retirement of a partner during the year:**
 - a. Final accounts questions to demonstrate the effect of final accounts when a partner is admitted during the year or when partner retired/ dies during the year
 - b. Allocation of gross profit prior to and after admission / retirement /death when stock on the date of admission / retirement is not given and apportionment of other expenses based on time/sales/other given basis
 - c. Ascertainment of gross profit prior to and after admission / retirement /death when stock on the date of admission / retirement is not given and apportionment of other expenses based on time/sales/other given basis

6. **Introduction to Company's Financial Statements;**
 - a. Contents of financial Statements
 - b. Form of Financial Statements- Vertical & Horizontal
 - c. (Problems on Preparation of financial Statements not required)

COST ACCOUNTING : PAPER - II

Module 3.2

1. **Job and Batch Costing**
 Job Costing Procedure,
 Batch Costing Procedure,
 Economic Batch Quantity
 Simple problems on preparation of job cost sheet
 Simple problems on preparation of batch cost sheet

2. **Process costing**
 Essential characteristics of process costing .Comparison of process costing and job costing, process costing procedure .Practical problems based on Process loss , Abnormal gains and losses . Excluding Equivalent units Inter-process profit.

3. **Joint and by product**
 Joint product meaning
 Methods of apportionment of joint cost
 By products meaning
 Treatment of by product
 Simple practical problems
 Distinction between joint and by product

4. **Contract Costing**
 Features of contract costing, contract costing procedure, special points in contract costing, Simple practical problems on Progress payments, Retention money, Contract accounts, Accounting for material, Accounting for tax deducted at source by the contractee , Accounting for plant used in a contract, treatment of profit on incomplete contracts, Contract profit and Balance sheet entries. Excluding Escalation clause.

5. **Cost records and cost audit**
 Cost Records,
 Items covered under cost audit rules
 Functions and scope of cost audit
 Cost audit programme
 Cost audit under companies act

AUDITING - PAPER - II

Module 3.3

Technique of Auditing & Audit Procedures : Auditing Techniques & Internal Audit introduction

Test Check : Test Checking vs Routing Checking, test checking meaning, features ,factors to be considered, when Test Checks can be used ,advantage ,disadvantages, precautions

Audit Sampling : Audit sampling, meaning, purpose ,factors in determining sample size- Sampling risk, tolerable Error & expected error, methods of selecting Sample items
Evaluation of Sample Results auditors Liability in conducting audit based on sample

Internal Control : Meaning & Purpose , review of internal control ,advantages, auditors duty, review of internal control. Inherent limitations of internal control, internal control samples for sales & debtors, purchases & Creditors, wages & salaries

Internal Audit

Meaning, basic principles of establishing internal audit, objectives, evaluation of internal audit by statutory auditor, usefulness of internal Audit
Internal Audit Vs External audit, internal checks Vs internal Control, Internal Checks Vs test checks, Internal Checks Vs internal Audit

Audit of income & Expenditure : Auditing Techniques:- vouching

Audit of Income

Cash sales, sales on approval, consignment sales, sales return,
Recovery of Bad Debts written off, rental receipts, interest & dividends received royalties received

Audit of Expenditure

Purchases, purchase returns, salaries & wages, rent, Insurance premium, telephone expense Postage & Courier, petty cash expenses, traveling commission advertisement, interest expense, depreciation.
Audit of assets & Liabilities
Auditing Techniques- verification

Audit of assets : Fixed assets: Plant & Machinery, Land & Building, furniture & Fixtures, Trademarks/ Copyrights, Patents Know-How, Quoted investments & unquoted investment
Current assets: Book Debts/debtors, stocks, Patterns, Dies & Loose tools, Spare Parts, Empties & containers

Audit of Liabilities

Outstanding Expenses, bills payable secured loans, unsecured loans Contingent liabilities

Functional Audits

Audit of Non Profit making Organizations : Meaning of Non Profit making Organizations, major sources of funds and application of funds, audit procedures to be followed.
Important provisions affecting Account & audit under Bombay Public Trust Act

Audit of Co-operative Society

Special Features of a cooperative society, audit aspects of a cooperative society, schedules to main audit report, audit of cooperative housing society, Audit of consumer cooperative society

ECONOMICS : PAPER - II

Module 3.4 (Macro economics)

National Income

Concept and measurement- Real vs nominal GNP, Price indices and normal income deflation- circular flow of income: Closed (2 and 3 sector models) and open economy models- trade cycles; features and phases- effective demand

Money Supply and Banking

Constituents and determinants- credit creation by the banking system, central banking: Functions- RBI's approach to money supply- objectives of monetary policy and monetary management- transmission mechanism of monetary policy.

Money Demand and inflation

Demand for money: liquidity preference approach- inflation: demand pull and cost push
Causes and measures to control inflation

Fiscal Operations

Operations of a budget- Public revenue: Sources, public expenditure: Classification, public debt: Types of fiscal deficit, Burden and management

Economic Stabilization

IS- LM Framework and impact of changes in the monetary policy and the fiscal policy.

Balance of Payments

Structure of BOP- Types of disequilibrium- Measures to correct disequilibrium- foreign exchange market- its functions- its exchange rates: Spot and forward

BUSINESS LAW : PAPER - II

Module 3.5

Company Law

The companies Act, (Excluding provisions relating to accounts and audit sections managing agents and secretaries and treasurers sections 324-388E, arbitrations, compromises, arrangements and reconstructions- sections 389 to 396)

- a. Corporate personalities; Kinds of companies
- b. Promotion and incorporation of companies
- c. Memorandum of Associations, Article of Associations prospectus shares share capital members share capital- transfer and transmission
- d. Capital Management- borrowing powers, mortgages and charges debentures
- e. Directors- Managing Director, whole time director
- f. Company Meetings- Kinds quorum, voting resolutions minutes
- g. Majority Powers and minority rights; prevention of oppression and mismanagement

MANAGEMENT : PAPER 1

Module 3.6 Principles of Management

1. **Management** : Importance- definition-managerial function-process of management- levels of management-managerial skills , management - and art science or profession?
Professional versus family management
2. **Evolution of the management theory** : Work of Fedrick Taylor, Fayols contribution- behavioral science approach- systems approach-contingency approach
3. **Planning** : Meaning - Importance -elements -process- limitation. Decision making
Concept importance steps in decision making.
Preparation of a business plan
4. **Organizing** : Concept nature significance authority and responsibility, relationships centralization and decentralization departmentation organizing structure, forms
Staffing- importance sources of recruitment election process
5. **Directing** : Meaning and steps in direction motivation- concept, theories- Maslow Herzberg Mc Gregor leadership- concept, styles and trades, control- concept process, effective central system, control techniques, coordination, definition and importance

FOUNDATION COURSE : PAPER II

Module 3.7 Fundamentals of Investment Analysis

1. **Investment** a) Meaning b) Accounting Standard 13
2. **Types Of investment**
a) Financial : Shares, Bonds b) Mutual funds c) Real Estate d) Movable e.g. Jewellery e) Insurance
3. **Investment Criteria by Individuals**
a) Growth b) Regularity c) Liquidity d) Social factors e) Risk bearing
4. **Modern Financial Instruments**
a) Shares : i) Equity ii) Preference iii) convertible
b) Bonds of various types
5. **Valuation of Shares (with goodwill)**
a) Yield Method b) Asset Backing(intrinsic value c) Valuation in varying paid up value
6. **Valuation of Fixed return Securities** : a) Bonds of various types b) Preference shares
7. **Capital Markets**
a) Primary b) Secondary c) Stock exchange listing d) S.E.B.I. e) Indexes f) Ratings
8. Valuation : C.A.P.M. Beeta Analysis
9. Accounting for Investment

SECOND YEAR – SEMESTER IV

4.1	Financial Accounting Paper -IV	Special Accounting Areas
4.2	Management Accounting Paper - I	Introduction to Management Accounting
4.3	Taxation Paper - II	Indirect Taxes
4.4	Commerce Paper - II	Financial Market Operations
4.5	Business Law Paper - III	Industrial Regulatory Framework
4.6	Information Technology Paper - II	Applications in Accounting and Finance
4.7	Quantitative Methods for Business Paper - II	

FINANCIAL ACCOUNTING - PAPER IV

Module 4.1

Special Accounting Areas

Amalgamation of Partnership Firms:

- Realisation method only, Calculation of purchase consideration, Journal/ledger accounts of old firms. Preparing Balance Sheet of New Firm
- Adjustment of goodwill in the new firm
- Realignment of capitals in the new firm by current accounts/cash or a combination thereof.

Conversion / Sale of a Partnership Firm into a Ltd. Company

Realisation method only

Calculation of New Purchase consideration, Journal / Ledger Accounts of old firms. Preparing Balance sheet of new company

Consignment Accounts:

Accounting for consignment transaction, Valuation of Stock, Invoicing of goods at higher price.

Hire Purchase Transactions:

- Meaning of hire purchase, Contents of Hire Purchase agreement, Calculation of interest,
- Accounting for hire purchase transactions by Assets purchase method based on full cash price only, Preparation of Ledger accounts/ Journal in the books of buyer as well as seller.
- Exclude: Interest Suspense Method, Asset Accrual method, Repossession, Calculation of cash price by working back.

Fire Insurance Claims:

Computation of loss of stock by fire, Ascertainment of claim as per the insurance policy.

Exclude: Loss of profit and consequential loss

Accounting of Indirect Taxes

Preparation of Sales Register and Purchase Register for the purpose of computing the VAT Liabilities, service Tax Liabilities and Excise Liabilities including of Cenvat Credit.

Entries and Ledger Accounts in the respect of Excise, Service Tax and Sales Tax.

Recommended books :

1. Introduction to Accountancy by T. S. Grewal
2. Advance Accounts by Shukla & Grewal
3. Advance Accountancy by R. L. Gupta and M Radhaswamy
4. Modern Accountancy by Mukherjee and Hanif
5. Financial Accounting by Lesile Chandwichk
6. Financial Accounting for Management by Dr. Dinesh Harsalekar
7. Financial Accounting by P. C. Tulsian
8. Accounting Principles by Anthony, R.N. and Reece J.S.
9. Financial Accounting by Gupta and Radhaswamy M
10. Financial Accounting by Monga, J.R. Ahuja, Girish and Shehgal Ashok.

MANAGEMENT ACCOUNTING PAPER - I

Module 4.2

Introduction to Management Accounting

1. Analysis and Interpretation of Accounts:

Study of Balance Sheet Sch. VI of Limited Company.

Study of Manufacturing Trading Profit & Loss A/c of Limited Company.

- a) Vertical Forms- Relationship between item in Balance Sheet and Profit and Loss Account.
- b) Trend Analysis.
- c) Comparative Statement.
- d) Common Size Statement.

2. Ratio Analysis and Interpretation

(Based on Vertical Form of Financial A/c) Including Conventional and Functional Classification
Restricted to:

Balance Sheet Ratios,

Current Ratio, Liquid Ratio, Stock Working Capital Ratio, Proprietary Ratio, Debt Equity Ratio

Capital Gearing Ratio

Revenue Statement Ratios:

Gross Profit Ratio, Expenses Ratio, Operating Ratio, Net Profit Ratio, Net Operating Profit Ratio

Stock Turnover Ratio

Combined Ratios

Return on Capital employed (Including Long Term Borrowings), Return on proprietor's Fund

(Shareholders Fund and Preference Capital), Return on Equity Capital, Dividend Pay out Ratio

Debt Service Ratio, Debtors Turnover, Creditors Turnover

Different Modes of Expressing Ratios, Rate, Ratio, Percentage, Number etc. Limitations on the use of the Ratios, Inter-action of Ratios

3. Preparation of Statement of Sources and Application of Cash Flow Statement

Cash with reference to Accounting Standard No .3

4. Working Capital-Concept

Estimation /Projection of Requirements in case of Trading and Manufacturing Organization.

Recommended books :

1. Essentials of Management by Koontz H & W published by McGraw Hill
2. Principles of Management by Ramaswamy published by Himalaya

3. Management Concept and Practice by Hannagain T published by McMillan
4. Basic Managerial Skills for All by McGrath E.H published by Prentice Hall of India
5. Management - Text and Cases by VSP Rao published by Excel Books
6. Essentials of Management by Massie Joseph published by Prentice Hall of India
7. Management: Principles and Guidelines by Thomas Duening & John Ivancevich published by Biztantra
8. Management Concepts and Strategies by J S Chandran published by Vikas Publishing House
9. Principles of Management by Tripathy P C published by Tata McGraw Hill
10. Principles of Management: Theory and Practice by Sarangi S K published by V M P Publishers
11. Principles of Management by Terry G R published by AITBS

TAXATION PAPER - II

Module 4.3 Indirect Taxes

A) Central Excise Law

1. Basic Concepts - (Central Excise Act)
Goods/ Excisable Goods - S: 2(d), Manufacture S: 2(f), Manufacturer S: 2(f),
Factory S: 2(e), Taxable Event
2. Classification (Central Excise Tariff Act) : C.E.T.A-Schedule I, Rules of interpretation, Trade Parlance theory, H S N Theory, Tariff Code-Dash System
3. Types of duties (Central Excise Act)
Specific Duty, Ad-Valorem, Cesses-NCCD, EC, SAH EC, Compounded Levy
4. Valuation : Assessable Value (Central Excise Act) S: 4(1), Tariff Value, Transaction Value, Valuation Rules, MRP Based Value
5. Cenvat Credit (Cenvat Credit Rules)
Terms, Input, Capital goods, Eligible Duties, Eligible Documents, Utilization of credit
6. Procedures
Registration in-EC Code Form A 1(Sec: 6), Record & Registers-D.S.A., P.L.A.
Cenvat Credit Invoice - Rule 11, Return - ER 1, Tax Payment Challan TR-6 / GAR 7

B) Service Tax

1. **Basic Concepts** (Finance Act 1994)
Taxable Event, Service, Taxable services, Service Provider, Person , Input Service, Output Service
2. **Classification of Services**
Significance of Classification, Principles of Classification
3. **Valuation of Taxable Service** : Exemption, Cenvat Credit Rules (Re: Service Tax)
Input service Utilization of credit
Import of service Rules
Export of Service Rules
Procedures
Registration Form ST 1 & ST 2, Records/Registers , Return Form - ST 3, Payments Form TR-6 & GAR 7
4. **Specific Service**
Works Contract, Insurance Auxiliary, Management/ Business Consultancy, Event Management, Practicing Chartered Accountant

Recommended books :

1. Indirect Taxes by V.S.Datey published by Taxmann
2. Service Tax Reckoner V.S.Datey published by Taxmann
3. Central Excise law Manual R.K.Jain published by Taxmann
4. Service Tax S.S. Gupta published by Taxmann

COMMERCE PAPER - II

Module 4.4 Financial Market Operations

- 1. Introduction to Financial market in India**
Growth of Indian Financial Market - Factors responsible for the development of capital market in India - Recent trends
- 2. Indian Financial System** (Source of corporate financing)
Industrial Securities Market - Primary and Secondary market (Equity, bond, derivatives, currency), Shareholders' wealth maximization, Money Market(Call money, Government Securities) - Over the counter Traded securities
- 3. Legal and regulatory framework**
Ministry of Companies Affairs - Company Law Board - SEBI - Stock Exchanges - Corporate Governance
- 4. Contemporary issues**
Fundamental and Technical analysis, Venture Capital, (including Private Equity), Private Placement, Credit Analysis, Merchant Banking, Leasing, Factoring and Forfeiting, Demat Trading, Intermediaries in Financial Markets, Financial Services.

Recommended books :

1. Fundamental of Financial Management - Prasanna Chandra - Tata McGraw Hill
2. Fundamental of Financial Management - V Sharan Pearson Education
3. Principles of Corporate Finance - R A Brealy & S C Myres - Tata McGraw Hill

BUSINESS LAW PAPER - III

Module 4.5 Industrial Regulatory Framework

1. The Factories Act, 1948
2. The Trade Union Act, 1926
3. The Industrial Disputes Act, 1947
4. The Payment of Wages Act, 1936

Recommended books :

1. An introductory guide to Central Labour Legislation - W A Dawson
2. Industrial Law - P L Malik
3. Labour Management Relations in India - K B Vaid
4. Personnel Management and Industrial relations - Kapur S , Punia B - Gurgaon SK
5. Labour participation in Management - Mhetras V - Manaklals
6. Principles of Modern Company Law - Gower L C B - Stevens and Sons
7. Guide to Companies Act - Ramaiya A - Wadhwa & Co.
8. Company Law - Singh Avtar - Eastern Book Co.
9. Modern India Company Law - Kuchal M C - Mahavir Books

10. Company Law - Incorporating the provisions of the companies Amendment Act 2000 - Kapoor N D
11. Indian Contract Act , Sale of Goods Act and Partnership Act - Desai T R - S C - Sarkar and sons
12. The Negotiable Instruments Act - Khergamwala J S - N M Tripathy
13. The Principles of Mercantile Law - Singh Avtar - Eastern Books Co.
14. Business Law - Kuchal M C - Vikas Publishing House
15. Business Law - Kapoor N D - Chandra P R - Sultan Chand
16. Business Law - Chandha P R - Galgotia

INFORMATION TECHNOLOGY PAPER - II

Module 4.6

Applications in Accounting and Finance

1. **Introduction to Internet and other emerging technologies**
Introduction - Internet components - electronic commerce - e-commerce applications - Electronic Data Exchange - Extranet - Payment systems - Risks and security considerations - Legal issues - Other emerging technologies
2. **Developmental Tools**
Introduction to LAAT and usage in Accounting/Audit, Audit methodologies in a computerized environment - Computer Assisted Audit Technologies - Audit Software - Test Data - Miscellaneous Techniques - Other Audit software - Steps involved in using CAATS
3. **Introduction to an Accounting Package**
Company features, List of Accounts, Voucher entry
Recommended Accounting packages
i. Tally ii. Wings 2000 Pro
4. **Cyber laws and Information Technology Act 2000**
Brief history - Objectives of Act - Information Technology Act 2000

Recommended books :

1. Fundamentals of Computers - Rajaram V - Prentice Hall
2. Computer today (3rd edition) - Sanders, Donald H - McGraw Hill
3. Computers and Common sense - Hunt, Roger and Shelly John - Prentice Hall
4. Computers - Subramaniam N - Wheeler
5. Introduction to Computers - Xavier C. - New Age
6. Computer in Business - Sanders D - McGraw Hill
7. Computers and Information Management - S C Bhatnagar & V Ramant - Prentice Hall
8. Internet for Business - Brummer, Lavrej - Cambridge
9. E-mail for Everyone - Leon Alexis & Leon - Methews
10. Basic Computer Programmes for Business - Sternberg C - New Jersey Hayden

QUANTITATIVE METHODS FOR BUSINESS PAPER - II

Module 4.7

1. **Introduction to operations research**, concept, scope and applications
2. **Linear Programming Model**
Mathematical formulation of the problem - Graphical solution for one or two variables - Standard Linear programming form- Slack and Surplus variables - Determination of Basic solution - The Simplex Algorithm - Artificial starting solution - The M-method - The two-phase method - Special cases in Simplex method application
i. Degeneracy ii. Alternative optima iii. Unbounded solutions iv. Infeasible solutions
3. **Transportation model**
Mathematical formulation - Feasible solution - Initial Basic Feasible solution by
i. North-west corner method ii. Matrix minima method
Vogel's approximation method - Optimal solution by MODI method - Optimality test - Improvement procedure - Modification when problem is Maximization and/or Unbalanced type
4. **Assignment model**
Concept - solution by complete enumeration method and Hungarian method - Modification when problem is Maximization and/or Unbalanced type
5. **Mathematics of Finance**
Simple and compound interest - concept of present value - types of annuities - Present values and accumulated values of these annuities - Applications of Investment decisions - Valuations of simple loans and debentures - Problems relating to sinking funds

Recommended books :

1. Modern Business Statistics revised by B Pearles & C Sullivan - Prentice Hall
2. Statistics for Management - Levin R and Rubin D S - Prentice Hall
3. Statistical Methods - S P Gupta - S.Chand
4. Fundamentals of Statistics - Elhance D N
5. Statistics Theory Method and Applications - D C Sancheti & V K Kappor

Third Year B.Com. - Accounting & Finance

THIRD YEAR – SEMESTER V

5.1	Financial Accounting : Paper - V	(Corporate Accounting)
5.2	Financial Accounting : Paper - VI	(Corporate Accounting)
5.3	Cost Accounting : Paper - III	(Methods and Accounting)
5.4	Management Accounting : Paper - II	(Financial Statements Analysis)
5.5	Taxation : Paper - III	(Direct Taxes Paper-1)
5.6	Economics : Paper - III	(Indian Economy)

FINANCIAL ACCOUNTING PAPER VI

Module 5.1

1. AS- 14 Amalgamation, Absorption & External Reconstruction (excluding inter - company holding)
 - i. In the nature of purchase with corresponding accounting treatments of pooling of interests and purchase method respectively.
 - ii. Meaning and computation of purchase consideration.
 - iii. Inter company debtors, creditors, loan, bills, loading in stock.
2. **Internal Reconstruction**
 - i. Need for reconstruction and company law provisions.
 - ii. Distinction between internal and external reconstructions.
 - iii. Methods including alteration of share capital, variation of share holder rights, subdivision, consolidation, surrender and reissue/cancellation, reduction of share capital with relevant legal provisions and accounting treatment for same.
3. **Investment Accounting**
 - i. For shares (variable income bearing securities)
 - ii. For debentures/preference shares(fixed income bearing securities)
 - iii. Accounting for transactions of purchase and sale of investments with ex and cum interest prices and finding cost of investment sold and carrying cost as per weighted average method(excluding brokerage)
 - iv. Columnar format for investment account
4. **Accounting for transaction of foreign currency**
 - i. In relation to purchase and sale of goods, services and assets and loan and credit transactions.
 - ii. Computation and treatment of exchange rate differences
5. **Introduction to IFRS**
 - i. Purpose and objective of financial statement- its frame work- its assumption, characteristics, element, recognition and measurement.
 - ii. Convergence and first time adoption to IFRS(IFRS - 1)

FINANCIAL ACCOUNTING PAPER - V

Module 5.2

1) Issue of Shares and Debentures

Shares and share capital

Issue of shares by different modes - IPO, Private placements, preferential, rights, ESOP, SWEAT

Issue of shares at par, premium and discount

Application for shares including minimum subscription, price band, Escrow Account

Allotment of shares including under and over subscription (including Prorata allotment) and calls in arrears / received in advance including interest calculation

Issue of shares for cash including forfeiture and reissue of forfeited shares

Capitalization of reserves and issue of bonus shares.

Issue of debentures at par, premium and discount

Issue of shares and debentures for purchase of business

Issue of shares and debentures for other services

2) Redemption of preference shares

Company law / legal provision for redemption

Sources of redemption including divisible profits and proceeds of fresh issue of shares

Premium of redemption from sale of security and profit of company

Capital redemption reserve account - creation and use

Payment from sources including out of fresh issue / profits

3) Redemption of Debentures

Redemption of debentures at par, premium, discount

Debenture redemption reserve and debenture redemption sinking fund excluding insurance policy

Conversion into new class of shares or debentures with options including at par, premium and discount

Purchase / buy back of own debentures or immediate cancellation or holding including ex and cum interest for purchase / sale price (excluding brokerage thereon)

4) Buyback of shares

Company law / legal provision (including related restrictions, power, transfer to capital redemption reserve account and prohibitions)

Compliance of conditions including sources, maximum limits and debt equity ration

Cancellation of shares bought back

5) Final accounts of Co-operative housing society

Provisions of Maharashtra State Co-operative Societies Act and rules

Accounting provisions including appropriation to various funds

Format of Final Accounts - Form N

Simple practical problems on preparation of final accounts of a co-operative housing society

COST ACCOUNTING PAPER -III

Module 5.3

- 1) **Uniform costing and Inter - firm comparison**
Meaning and need for uniform costing - Essentials for success of uniform costing - Advantages and limitations of uniform costing - Areas of uniformity, uniform cost manual
- 2) **Inter - firm comparison objectives**
Pre requisites of inter firm comparison - Advantages and Limitations
- 3) **Non integrated system of accounts**
Meaning - Advantages and Disadvantages - Distinctive features - Cost control accounts to be prepared - Journal entries - Simple practical problems
- 4) **Integrated Accounts**
Meaning - Advantages and Disadvantages - Distinctive features -Journal entries - Simple practical problems
- 5) **Operating Costing**
Meaning of operating costing - Determining of per unit cost - Pricing of services - collection of costing data - simple practical problems based on costing of hospital, hotel, goods and passenger transport and other services.

MANAGEMENT ACCOUNTING PAPER II

Module 5.4

1. **Ratio Analysis :**
Interaction of ratios
Projection of financial statements from given ratios and information
2. **Capital Budgeting**
Introduction, types of capital, sources of capital
Evaluation of capital expenditure proposal from given cash flow, concept of present value,
Techniques of appraisal of investment proposal
Payback period method, Average rate of return method
Net present value method, IRR
Profitability index method
3. **Cash Budgeting**
Meaning and objective
Budgeting of receipts and payments- trading, non trading and capital
Preparation of monthly budget and finding out closing cash balance
4. **Interpretation of financial statements**
Contents and importance of notes to accounts, directors report, audit report
Use of notes to accounts, directors report, audit report. Ratios to analyze financial statements

5. Concept of MIS report in Computer environment

Concept, need, characteristics, role of MIS
MIS and business, MIS and computers
MIS generated by accounting software
Limitations of MIS

TAXATION -III

Module 5.5

1. Definitions

Section 2 - Assessee, Assessment year, assessment, annual value, business,
Capital asset, Income, person, Previous year, transfer

2. Basis of Charge

Section 3- 9 - Previous year, Residential status, Scope of total income. Deemed income.

3. Exclusions From Total Income

Section 10 - restricted to,

- a. Agricultural income
- b. Sums received from HUF by member
- c. Share of profit from firm
- d. Casual and non recurring receipts
- e. Scholarships
- f. Income of minor child
- g. Allowance to members of parliament and legislative assembly
- h. Exemptions related to specific head of income to be covered with relevant provisions such as salary, Income from other sources.

4. Heads Of Income

a. Salary - Section 15-17 incl section 10 relating to:

1. House rent allowance
2. Travel Concession
3. Special allowance
4. Pension- commutation
5. Leave encashment
6. Compensation
7. Voluntary retirement
8. Payment from provident fund
9. Gratuity

b. Income from house property - Section 22-27 (incl: Section 2- Annual value)

c. Profits and gains from business & profession , Vocation
Section 28-32, 36, 37,40, 40A & 43B
(incl: Section 2- Business)
Income from other sources- Section 56-59

5. Deductions under Chapter VI - A

80C - payment of LIC/PF and other eligible investments
80CCC - Contribution to certain pension fund

80D - Medical insurance premium

80DD - Maintenance and medical treatment to handicapped dependent

80E - Interest on educational loan

80U - Deduction in the case of totally blind or physically handicapped or mentally retarded resident person.

6. Computation of Total Income and Taxes Thereon

Of individual and HUF (Including rates of taxes & excluding capital gains)

Problems designed to test the knowledge of provisions of income under specific head-

Notes-

1. The problems should not cover more than two heads of income and two deductions
2. The applicability of law for the purpose of examination would be the law in force as on 31st March immediately preceding the academic year.

ECONOMICS III

Module 5.6

1. Introduction

Demographic features - Poverty, Income Inequality and Unemployment - Urbanization and its effects

2. Agricultural Sector

Institutional Structure - Land reforms in India

Technological changes in agriculture

Agricultural pricing and agricultural finance

Agricultural marketing

National Agricultural policy

3. Industrial Sector

Growth and pattern of industrialization

Industrial Policy of 1991

Public sector enterprises and disinvestment policy

Small scale sector - problems and prospects

4. Service Sector

Nature and scope of service industry

Recent trends in Banking industry, Insurance industry

Healthcare Industry and Tourism Industry

5. External Sector

Structure and Directions of Foreign Trade

India's Balance of Payments since 1991

FDI, Foreign capital and transnational companies in India

Role and impact of SAARC, ASEAN and WTO

6. Money and Banking

Money market and its features

Monetary policy of RBI

Progress of commercial banking in India

Development of capital markets

SEBI and its functions

THIRD YEAR – SEMESTER – VI

6.1	Financial Accounting : Paper - VII	(Corporate Accounting)
6.2	Financial Accounting : Paper - VIII	(Corporate Accounting)
6.3	Cost Accounting : Paper - IV	(Techniques of Costing)
6.4	Technique of Auditing & Audit Procedures	
6.5	Taxation : Paper - IV	(Direct Taxes Paper-II)
6.6	Management - Paper II	(Management Applications)

FINANCIAL ACCOUNTING PAPER VII

Module 6.1

1. Accounting for Banking Company

- i. Legal provision in Banking Regulation Act, 1949 relating to Accounts.
- ii. Statutory reserves including Cash Reserve and Statutory Liquidity Ratio
- ii. Bill purchase and discounted, rebate of bill discounted
- iii. Final accounts in prescribed form
- iv. Non-performing assets and Income from non-performing assets.
- v. Classification of Advances, standard, sub-standard, doubtful and provisioning requirement.

2. Accounting of General Insurance Company

- i. General Insurance - Various types of insurance, like fire, marine, Miscellaneous
- ii. Special terms like premium, claims, commission, Management expenses, Reserve for unexpired risk, reinsurance
- iii. Final accounts in a prescribed form. Revenue Statement - Form B - RA, Profit/Loss Account - Form B - PL and Balance Sheet - Form B - BS.

3. Accounting Standards

- i. AS-2 Valuation of inventories
- ii. AS-6 Accounting for Depreciation
- iii. AS-10 Accounting for Fixed Assets
- iv. AS-07 Construction Contracts
(Theory, Case Study and Practical questions)

4. Liquidation of Company

- i. Meaning of liquidation or winding up
- ii. Preferential payments
- iii. Overriding preferential payments
- iv. Preparation of statement of affairs, deficit/surplus account
- v. Liquidator's final statement of account

5. Limited Liability Partnership

- Statutory provisions
Conversion of proprietary business in partnership
Final accounts

FINANCIAL ACCOUNTING PAPER VIII

Module 6.2

1 Valuation of goodwill, shares and business

- a) Valuation of goodwill
- b) Maintainable profit method
- c) Super Profit Method
- d) Capitalisation Method
- e) Annuity method
- f) Valuation of Shares
- g) Intrinsic Value of the Asset
- h) Yield Method
- i) Fair Value Method

2 Final Accounts of Companies

- a) Relevant provisions of Companies Act related to Final Account(excluding cash flow statement)
- b) Vertical and horizontal formats of profit/loss account and balance sheet
- c) AS 1 in relation to final accounts of companies (disclosure of accounting policies)

3 Profit Prior to Incorporation

- a) Principles for ascertainment
- b) Preparation of separate, combined and columnar profit/loss account and balance sheet including different basis of allocation of expenses/incomes.

4 Foreign Branches Conversion as per AS 11 and incorporation in HO

5 Accounting Standards : AS-16, AS-19, AS-20, AS-22

COST ACCOUNTING PAPER IV

Module 6.3

1. Budgeting and Budgetary Control

Meaning and objectives, Advantages and limitations of budgets
Functional budgets, Fixed and Flexible budgets
Zero based budgeting, performance budgeting
Simple practical problems of preparing flexible budgets and functional budgets

2. Absorption Costing and Marginal Costing

Meaning of absorption costing,
Introduction to marginal costing
Distinction between absorption costing and marginal costing
Advantages and limitations of marginal costing

3. Cost Volume and Profit analysis

Break even analysis meaning and graphic presentation
Margin of safety
Fey factor
Simple practical problems based on using the marginal costing Formulae

4. **Managerial Decision Making**

Make or buy
Sales mix decisions
Exploring new markets
Plant shut down decision
Simple practical problems

5. **Standard Costing and Variance analysis**

Preliminaries in installing of a standard cost system
Material cost variance
Labour cost variance
Variable overhead variances
Fixed overhead variances
Sales variances
Simple practical problems

AUDIT –III (Advanced Auditing)

Technique of Auditing & Audit Procedures Module 6.4

1. Audit of Ledgers – Reading & Interpretation of Ledger Accounts
2. Audit and Assurance Standards
3. Audit of Limited Companies
4. Special Audits, Tax Audit

Audit of Ledgers – Reading & Interpretation of Ledger Accounts

Scrutiny of ledger account and comments thereon.

Fixed assets account (At cost of W.D.V.), Investment A/c., Debtors A/c., Bills Receivable A/c., Capital A/c., Reserves A/c., Creditors A/c., Bills Payable A/c., Expense and Losses A/c., Income Gain A/c.

Simple practical problem to write comments on a given ledger account (limited to one ledger account, Maximum two accounting year and maximum of 12 entries)

Audit and Assurance Standards

Significance of the Audit and Assurance Standards issued by Institute of Chartered Accountants of India.

Responsibility of audit for AAS

Understanding to following standards

- | | | |
|----|------|--|
| SA | 200 | Basic Principles of Governing on Audit |
| SA | 200A | Objectives and scope of the audit of financial statements |
| SA | 230 | Audit documentation |
| SA | 300 | Planning an Audit of Financial Statements |
| SA | 320 | Audit Materiality |
| SA | 440 | Risk Assessments and Internal Control |
| SA | 500 | Audit Evidence |
| SA | 501 | Audit Evidence – Additional Considerations for Special Items |
| SA | 520 | Analytical Procedures |
| SA | 700 | The Auditor's Report on Financial Statements |
| SA | 570 | Going Concern |

Audit of Limited Companies

- a) Qualifications, disqualifications, appointments (First and Subsequent auditor), reappointment removal of auditors.
- b) Audit Report – Basic elements, Unqualified, modified and qualified report.
- c) Report under Companies Act, CARO
- d) Rights, duties and liabilities of auditor

Special Audit : Special points in audit of a) Hospital b) Hotel c) School / College d) Cinema Theatre

Tax Audit : Requirements, qualifications u/s. 44AB, time limit tax audit report with annexures

TAXATION PAPER IV

Module 6.5 DIRECT TAXES - 2

INCOME TAX ACT, 1961

1 Capital Gains

Sections

Sec : 45 - Chargeability of Capital Gains

Sec :48 - Mode of Computation of Capital Gains

Sec : 49 - Cost with Reference to Certain Modes of Acquisition

Sec : 50 - Special Provisions for Computation of Capital Gains in Case Of depreciable Assets.

Sec : 50 B - Depreciable Assets

Sec : 50 C - Full Value of consideration

Sec : 54 - Profit on Sale of Property Used for Residence

Sec : 55 - Meaning of "Adjusted", "Cost of Improvement " & "Cost of Acquisition"

(Incl. Section 2 - Capital Assets & Transfer)

2 Basic Aspects of Deductions of Tax at Source

Sec : 194 A - TDS on Interest.

Sec : 194 C - TDS on Payment made to Contractor

Sec : 194 H - TDS on Commission.

Sec : 194 I - TDS on Rent

Sec : 194 J - TDS on Professional Fees.

Payment of TDS and Procedure for E - Filing of TDS Return

3 Set Off and Carry Forward of Losses

Sec : 70 - Set off Loss from one Source Against Income from Another Source Under the Same Head of Income

Sec : 71 - Set Off Loss from One Head Against Income Of Another Head

Sec : 71 B - Carry Forward & Set Off of Losses From House Property

Sec : 72 - Carry Forward & Set Off of Losses from Business

Sec : 73 - Losses in Speculation Business

Sec : 74 - Loss under the head of Capital Gains

- 4 **Computation of Income of Partnership Firm** in Relation to Sec : 40(b) and Tax thereon with Applicable Rate of Tax
- 5 **Return of Income** - Sec 139
- 6 **Advance Tax** u/s 207, 208, 209, 210, 211
 Sec : 207 - Income Liable to Advance Tax
 Sec : 208 - Liability of Advance Tax
 Sec : 209 - Computation of Advance Tax
 Sec : 210 - Payment of Advance Tax by Assessee on His Own Account
 Sec : 211 - Due Dates of Payment of Advance Tax

MANAGEMENT - II

MANAGEMENT APPLICATIONS

Module 6.6

1 **Marketing Management**

- a) Meaning and Definition of Marketing - 4 Ps of Marketing
- b) Product Management - Meaning & Definition - Product Development Strategies
- c) Price Management - Meaning & Definition - Pricing Strategies
- d) Place(Distribution) Management - Meaning and Definition - Factors governing Distribution Decisions - Types of Distribution Channels
- e) Promotion Management - Meaning - Promotion Strategies Case Studies based on the above topics

2 **Production Management**

- a) Meaning and Definition of Production Management - Scope of Production Management - Production vs. Productivity
- b) Meaning of Productivity - Measurement of Productivity - Measure to increase Productivity - Productivity improvement in India
- c) Meaning and Definition of Quality Management - TQM - Quality Circles - ISO 9000/14000
- d) Inventory Management - Meaning and Methods Case Studies based on the above topics

3 **Human Resource Management**

- a) Meaning and Definition of Human Resource Planning, Human Resource Management and Human Resource Development
- b) Process of Human Resource Planning
- c) Scope of Human Resource Management
- d) Methods of Developing Human Resource
- e) Performance Appraisal - Meaning and Definition - Traditional and Modern Methods of Appraisal - Self Appraisal - 3600 Appraisal Case Studies based on the above topics

4 **Financial Management**

- a) Meaning and Definition of Financial Management - Functions of Financial Management
- b) Short - term and Long - Term Sources of Finance - Source and Significance
- c) Capital Market - Meaning and Constituents - Functions
 Fundamental Analysis - Technical Analysis - Venture Capital - DEMAT Account - Futures and Options
 Case Studies based on the above topics

LIST OF SUGGESTED READINGS

1. FINANCIAL ACCOUNTING

1. Introduction to Accountancy S. Chand & Co. (P) Ltd., T. S. Grewal, New Delhi
2. Advanced Accounts S. Chand & Co. (P) Ltd., Shukla & Grewal, New Delhi
3. Advanced Accountancy Sultan Chand & Co. (P) Ltd., R. L. Gupta & M. Radhaswamy
4. Modern Accountancy Tata Mc. Grow Hill & Co. Ltd. Mukerjee & Hanif, Mumbai
5. Financial Accounting Prentice Hall of India, Lesile Chandwickh (Advin Bakley)

2. COST ACCOUNTING

1. Lectures on Costing S. Chand & Co. (P) Ltd., Swaminathan, New Delhi
2. Practical Costing S. Chand & Co. (P) Ltd., Khanna, Pandey & Ahuja
3. Cost Accounting Tata Mc. Grow Hill, C. S. Rayudu
4. Cost Accounting Tata Mc. Grow Hill, Jawaharlal
5. Cost Accounting Taxmann Ltd., Ravi M. Kishor. New Delhi

3. AUDITING

1. Contemporary Auditing Tata Mc. Grow Hill, Kamal Gupta, New Delhi
2. A Handbook of Practical Auditing S. Chand & Co. Ltd., B. N. Tandon, New Delhi
3. Fundamentals of Auditing Tata Mc. Grow Hill Ltd., Kamal Gupta & Ashok Arora New Delhi
4. Textbook of Auditing Tata Mc. Grow Hill, Batra & Bagradia
5. Practical Auditing Spicer & Peglar, S. V. Ghatalia

4. MANAGEMENT ACCOUNTING

1. Accounting for Management Vikas Publishing House, Pvt. Ltd., New Delhi
2. Management Accounting S. K. Bhattacharyya, John Dearden
3. Management Accounting Tata Mc GrAw New Delhi, M. Y. Khan, P. K. Jain
4. Management Accounting S. Chand & Co. Ltd., R. S. N. Pillai, Bhagavathi, New Delhi
5. Management Accounting S. Chand & Co., Sisir Kumar Bhattacharya, Sujit Kumar Roy
Himalaya Publishing House, J. Made Gowada, Mumbai

5. TAXATION

1. Students Guide to Income Tax Taxmann, V. K. Sighania New Delhi
2. Income Tax Law & Practice Wishwa Prakashan, Dr. Bhagwati Prasad New Delhi
3. Indirect Taxes - Law & Practice Sultan Chand & Sons, Dinkar Pagare
4. Indirect Taxes - Law & Practice Taxman V. S. Datey
5. Study Material on Sales Tax S. Tax Practitioners Association of Laws for beginners MAH

6. MICRO ECONOMICS

1. Micro Economics Ahuja H L.
2. Principles of Economics Crystal 1999, Lipsey R. K A.
3. An Introduction to Positive Econ. Lipsey
4. Economics Tata Mc. Grow Hill, P. A. Samuelson, New Delhi
5. A Course in Micro Economics Theory Princeton University Press, Monkiw, Krepps, David M 1990

7. MACRO ECONOMICS

1. International Economics Prentice Hall, Salvatore D. L., New Jersey, U. S. A.
2. The International Economy Cambridge University Press, Kennen. P. B. (1994), London
3. International Economics: Theory & Policy Glonview Foresman, Krugmen. P. R. & Obstgeld. M. (1994)
4. Monetary Economics Oxford University Press, Lewis. M. K. & Mizan. P. D. (2000)
5. Outline of Monetary Economics Oxford University Press, Day A. C. L. (1960), Oxford

8. INDIAN ECONOMY

1. Indian Economy Sultan Chand & Co. Ltd., Datt R & Sundharam K.P.M. (2001)
2. The Indian Economy : Sultan Chand & Sons, Dhingra I.C. (2001), New Delhi
3. Environment & Policy Indian Economy - Himalaya Publishing House,
Its Development Experience Misra S. K. Puri & Puri V. K. (2001), Mumbai
4. India's Economic Reforms Oxford University Press, Delhi
& Development (Essays in honour of Manmohan Singh)
5. The Indian Economics : Jalan B. (1992)
Problems & Prospects

9. COMMERCE

1. Business & Management Economics
New Central Agency, Mukharjee, Sampat Educational Book
2. Globalisation & Indian Liberalisation
Raam S. Shiva
3. Globalisation &
Indian Financial Markets
Tandon RK., Gupta SL
4. Globalisation strategies
& Eco. Liberalisation
Batra Gs Kaur, Narander
5. Indian Economy Under
Liberalise System
Bhule Shkar A. V. Desai R.

10. BUSINESS LAW

1. An Introductory Guide to
Industrial Law
W. A. Dawson
2. Labour Mgmt. Relations in India
P. L. Malik
3. Personnel Mgmt. & Industrial Relation
K. B. Vaid
4. Labour Participation in Management
Kapur S. Punai B. - Gurgaon SK-1996
5. Manaklals, Bombay, Mhetras V.

11. INFORMATION TECHNOLOGY

1. Fundamentals of Computers
Prentice Hall of India, Rajaraman - V.
2. Computers Today (3rd Ed.)
New York Mc graw Hill, Sanders, Donald
3. Computer&Commonsense (4in ed)
Prentice Hall of India, Hunt, Roger Shelly, John
4. Computers
Wheeler, Subramanian N.
5. Introduction to Computers
NewAge, Xavier C., New Delhi

12. QUANTITATIVE TECHNIQUES

1. Modern Business Statistics
Revised by - Prentice Hall, B. Pearles & C. Sullivan
2. Statistics for Management
Prentice Hall of India, Levin R. & Rubin D. S.
3. Statistical Method
S. Chand & Co., S. P. Gupta
4. Fundamentals of Statistics
Elhance D. N.
5. Statistics : Theory, Methods & App.
D. C. Sancheti & V. K. Kappor

13. MANAGEMENT

1. Essentials of Management
Tata Mcgraw, Koontz H. & Wellrich H.
2. Concepts in Management Science
Prentice Hall, Donald J.
3. Management
Stoner & Freeman
4. The Process of Management
William H. & Newman
5. Principles & Practice of Management
Brech E. P. L.

14. BUSINESS COMMUNICATION

1. Effective Communication in Business
Southern Western Pub.Cinannal,Wolf & Aumer - USA
2. People & Communications
Gce & Co. Publishers, Dewerell C. S.
3. A Guide to Defensive Writing Skills
Stewart Jun
4. Today's Business Letter writing
Prentice Hall, Avett Elizabeth Maynerd
5. Practical Communiation
Bergin Francis J. Pittman .

FOUNDATION COURSE

A. Fundamentals of Environmental Managements

1. Centre for Science & Environment (1997)
The State of India's Environment 84-58, Reprint CSE
2. Man's Impact on Environment 1971
Macraw Hill, Detwyter T. R. New York
3. Ecology & Development in Third World
Roulledge Gupta A London – 1998
4. Environmental Priorities in India
& Sustainable Development
Indian Environmental Society, New Delhi

B. FUNDAMENTALS OF ENTREPRENEURSHIP

1. Environment & Entrepreneur
Chugh Publication Tandon B. C., Allahabad
2. Entrepreneurial Megabucks
John Wiley & Sons Siner A David, New York
3. Pract. Guide to Industrial Entrepreneur
Sultan Chand & Sons Srivastava S. B., New Delhi
4. Project Preparation,
Appraisal, Implementation
Tata McGraw Hill, Prasanna Chandra, Delhi
5. Venture Capital
Prentice Hall of India, Pandey I. M.