

## **SYBAF / SEM. III // Revised / Auditing paper II- (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

## **SYBAF / SEM. III // Revised / 2.3.5 Business Law Paper II (Company Law)**

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

## **SYBAF / SEM. III // Revised / 2.3.2 COST ACCOUNTING PAPER II-(Method of Costing)**

### **Topics**

Job and Batch Costing  
Process Costing  
Joint and by Product  
Contract Costing  
Cost records and cost audit

### **Detailed contents**

#### **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

#### **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.

#### **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

#### **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.

#### **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

**SYBAF / SEM. III // Revised / 2.3.4 Economics – Paper II – (Macro economics)**

Topics	
National Income	
Money supply & banking	
Money Demand and Inflation	
Fiscal Operations	
Economics stabilization	
Balance of Payments	

**Detailed Contents**

**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

**SYBAF / Sem. III/ Revised Financial Accounting**

TOPICS	
Admission of partner	
Retirement / Death of Partner	
Dissolution of Partnership firm	
Piecemeal Distribution of cash	
Partnership Final Accounts based on adjustment on admission or retirement of a partner during the year	
Introduction to Company's Financial Statements	

Detailed Contents

**Admission of Partner:-**

Revaluation of assets and liabilities (through Profit & loss Adjustment Account)

Accumulated Profit & losses And Fictitious assets appearing in the Balance Sheet  
 Computation of Sacrifice ratio / New Profit sharing ratio  
 Treatment of goodwill brought in cash/goodwill raised in books / Goodwill raised and written off  
 Adjustments of Capital  
 Preparing journal /ledger Account  
 Revised Balance sheet

**Retirement / Death of Partner:-**

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

**Dissolution of Partnership firm**

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

**Piecemeal Distribution of cash**

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

Partnership Final Accounts based on adjustment on admission or retirement of a partner during the year:

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  
 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  
 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

Introduction to Company's Financial Statements;  
 Contents of financial Statements  
 Form of Financial Statements- Vertical & Horizontal  
 (Problems on Preparation of financial Statements not required)

**SYBAF / SEM. III / Revised /Foundation Course II – Fundamentals of Investment Analysis**

Topics	
Investment	
Types of Investment	
Investment Decisions by Individuals	
Modern Financial Instruments	

Valuation of Shares	
Valuation of Fixed return Securities	
Capital Market	
Accounting Investment	

Detailed Contents

Investment a) Meaning b) Accounting Standard 13

Types Of investment

- a) Financial : Shares, Bonds b) Mutual funds c) Real Estate
- d) Movable e.g. Jewellery e) Insurance

Investment Criteria by Individuals

- a) Growth b) Regularity c) Liquidity d) Social factors e) Risk bearing

Modern Financial Instruments

- a) Shares : i) Equity ii) Preference iii) convertible
- b) Bonds of various types

Valuation of Shares (with goodwill)

- a) Yield Method b) Asset Backing(intrinsic value) c) Valuation in varying paid up value

Valuation of Fixed return Securities

- a) Bonds of various types b) Preference shares

Capital Markets

- a) Primary b) Secondary c) Stock exchange listing d) S.E.B.I. e) Indexes f) Ratings

Valuation : C.A.P.M. Beeta Analysis

Accounting for Investment

**SYBAF / SEM. III // Revised 2.3.6 Management – paper 1- (Principles of Management)**

Topics	
Management	
Evolution of Management Theory	
Planning	
Organizing	
Directing	

**Detailed Contents**

Management

Importance- definition-managerial function-process of management- levels of management- managerial skills , management – and art science or profession?  
Professional versus family management

Evolution of the management theory

Work of Fedrick Taylor, Fayols contribution- behavioral science approach- systems approach-contingency approach

Planning

Meaning – Importance –elements –process- limitation. Decision making  
Concept importance steps in decision making.  
Preparation of a business plan

### Organizing

Concept nature significance authority and responsibility, relationships centralization and decentralization departmentation organizing structure, forms  
Staffing- importance sources of recruitment election process

### 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

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2.4.1	Financial Accounting Paper –IV (Special Accounting Areas)
2.4.2	Management Accounting Paper – I (Introduction to Management Accounting)
2.4.3	Taxation Paper – II (Indirect Taxes)
2.4.4	Commerce Paper – II (Financial Market Operations)
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2.4.6	Information Technology Paper – II (Applications in Accounting and Finance)
2.4.7	Quantitative Methods for Business Paper – II

## **2.4.4 Commerce Paper – II – (Financial Market operations)**

### **Topics**

Introduction to Financial market in India  
Indian Financial System  
Legal and regulatory framework  
Contemporary issues

### **Detailed contents**

#### **Introduction to Financial market in India**

Growth of Indian Financial Market – Factors responsible for the development of capital market in India – Recent trends

#### **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

#### **Legal and regulatory framework**

Ministry of Companies Affairs – Company Law Board – SEBI – Stock Exchanges – Corporate Governance

#### **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

- **Commerce**

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

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2.4.7	Quantitative Methods for Business Paper – II

**FOURTH SEMESTER**

**2.4.1 Financial Accounting - Paper IV – (Special Accounting Areas)**

**Topics**

Amalgamation of Partnership Firms

Conversion / Sale of a Partnership Firm into a Limited Co.

Consignment Accounts  
Hire Purchase Transactions  
Fire Insurance Claims  
Preparation of Records for indirect Taxes

#### **Detailed contents**

#### **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.

#### • **Accountancy**

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

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## 2.4.6 Information Technology - Paper II – (Applications in Accounting and Finance)

### Topics

Introduction to Internet and other emerging technologies  
Developmental Tools  
Introduction to an Accounting Package  
Cyber laws and Information Technology Act 2000

### Detailed contents

#### 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

#### 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

#### Introduction to an Accounting Package

Company features, List of Accounts, Voucher entry  
Recommended Accounting packages  
i. Tally  
ii. Wings 2000 Pro

#### Cyber laws and Information Technology Act 2000

Brief history – Objectives of Act - Information Technology Act 2000

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#### • Information Technology

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

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## 2.4.5 Business Law - Paper III – (Industrial Regulatory Framework)

### Topics

The Factories Act, 1948  
The Trade Union Act, 1926  
The Industrial Disputes Act, 1947  
The Payment of Wages Act, 1936

### • Business Law

An introductory guide to Central Labour Legislation – W A Dawson  
Industrial Law – P L Malik  
Labour Management Relations in India – K B Vaid  
Personnel Management and Industrial relations – Kapur S , Punia B – Gurgaon SK  
Labour participation in Management – Mhetras V – Manaklals  
Principles of Modern Company Law – Gower L C B – Stevens and Sons  
Guide to Companies Act – Ramaiya A – Wadhwa & Co.  
Company Law – Singh Avtar – Eastern Book Co.  
Modern India Company Law – Kuchal M C – Mahavir Books  
Company Law – Incorporating the provisions of the companies Amendment Act 2000 – Kapoor N D  
Indian Contract Act , Sale of Goods Act and Partnership Act – Desai T R – S C – Sarkar and sons  
The Negotiable Instruments Act – Khergamwala J S – N M Tripathy  
The Principles of Mercantile Law – Singh Avtar – Eastern Books Co.  
Business Law – Kuchal M C – Vikas Publishing House  
Business Law – Kapoor N D – Chandra P R – Sultan Chand  
Business Law – Chandha P R - Galgotia

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## **2.4.2 Management Accounting - Paper I – (Introduction to Management Accounting)**

### **Topics**

Analysis and Interpretation of Accounts  
Ratio Analysis  
Cash Flow Statement  
Working Capital Concept

### **Detailed contents**

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

#### **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

#### **Preparation of Statement of Sources and Application of (Cash Flow Statement)**

Cash with reference to Accounting Standard No .3

#### **Working Capital-Concept**

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

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- **Management**

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

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2.4.7	Quantitative Methods for Business Paper – II

## **2.4.7 Quantitative Methods for Business - Paper II**

### **Topics**

Introduction to operations research, concept, scope and applications

Linear Programming Model

Transportation model

Assignment model

Mathematics of Finance

### **Detailed contents**

**Introduction to operations research, concept, scope and applications**

**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

**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

**Assignment model**

Concept – solution by complete enumeration method and Hungarian method - Modification when problem is Maximization and/or Unbalanced type

**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

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- **Quantitative Techniques**

Modern Business Statistics revised by B Pearles & C Sullivan – Prentice Hall

Statistics for Management – Levin R and Rubin D S – Prentice Hall

Statistical Methods – S P Gupta – S.Chand

Fundamentals of Statistics – Elhance D N

Statistics Theory Method and Applications – D C Sancheti & V K Kappor

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**FOURTH SEMESTER**

**2.4.1 Financial Accounting - Paper IV – (Special Accounting Areas)**

**Topics**

Amalgamation of Partnership Firms

Conversion / Sale of a Partnership Firm into a Limited Co.  
Consignment Accounts  
Hire Purchase Transactions  
Fire Insurance Claims  
Preparation of Records for indirect Taxes

### **Detailed contents**

#### **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.

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## 2.4.2 Management Accounting - Paper I – (Introduction to Management Accounting)

Topics	No. Of Lectures
Analysis and Interpretation of Accounts	20
Ratio Analysis	10
Cash Flow Statement	10
Working Capital Concept	10

### Detailed contents

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

#### 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

#### Preparation of Statement of Sources and Application of (Cash Flow Statement)

- Cash with reference to Accounting Standard No .3

#### Working Capital-Concept

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

#### Question paper pattern

1. Question paper should be of 60 marks and 2 hours duration
2. No of questions to be set Four
3. All questions to be of 15 marks each

Detailed pattern can be as follows:

Q 1	Compulsory- Practical			15 Marks	
Q 2	Compulsory- Objective type			15 Marks	
	True of false, multiple choice, answer in one sentence, match the following				
Q 3	Practical	OR	Q 3	Practical	15 Marks
Q 4	Practical	OR	Q 4	Theory/Practical	15 Marks

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### 2.4.3 Taxation Paper – II – (Indirect Taxes)

Topics	No. of lectures
<b>A. Indirect Tax – Central Excise law</b>	
Basic Concepts – (Central Excise Act)	04
Classification (Central Excise Tariff Act)	05
Types of duties (Central Excise Act)	01
Valuation	10
Cenvat Credit (Cenvat Credit Rules)	04
Procedures	06
<b>Sub Total</b>	<b>30</b>
<b>B. Indirect Tax – Service Tax</b>	
Basic Concepts - (finance Act 1994)	02
Classification of Services	02
Valuation of Taxable Service	04
Exemption	02
Cenvat Credit (Re: Service Tax)	02
Import of service Rules	01
Export of Service Rules	01
Procedures	01
Specific Service	05
<b>Sub total</b>	<b>20</b>

#### Detailed contents

##### A) Central Excise Law

###### 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

###### 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

###### Types of duties (Central Excise Act)

Specific Duty, Ad-Valorem, Cesses-NCCD, EC, SAH EC, Compounded Levy

###### Valuation

Assessable Value (Central Excise Act) S: 4(1), Tariff Value, Transaction Value, Valuation Rules, MRP Based Value

###### Cenvat Credit (Cenvat Credit Rules)

Terms

Input, Capital goods, Eligible Duties, Eligible Documents, Utilization of credit

###### 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

###### Basic Concepts (Finance Act 1994)

Taxable Event, Service, Taxable services, Service Provider, Person, Input Service, Output Service

###### Classification of Services

Significance of Classification, Principles of Classification

###### 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

###### Specific Service

Works Contract, Insurance Auxiliary, Management/ Business Consultancy, Event Management, Practicing Chartered Accountant

### Question paper pattern

1. Question paper should be of 60 marks and 2 hours duration
2. No of questions to be set Four
3. All questions to be of 15 marks each

Detailed pattern can be as follows:

Q 1	Compulsory- Central Excise and service tax	15 Marks
Q 2	Compulsory- Objective type True of false, multiple choice, answer in one sentence, match the following Central Excise and service tax	15 Marks
Q 3	Central Excise	15 Marks
OR		
Q 3	Central Excise	
Q 4	Service tax	15 Marks
OR		
Q 4	Service tax	

(Note: Questions may be sub-divided into smaller questions if necessary)

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## 2.4.4 Commerce Paper – II – (Financial Market operations)

Topics	No. of lectures
Introduction to Financial market in India	08
Indian Financial System	14
Legal and regulatory framework	12
Contemporary issues	16

### Detailed contents

#### Introduction to Financial market in India

Growth of Indian Financial Market – Factors responsible for the development of capital market in India – Recent trends

#### 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

#### Legal and regulatory framework

Ministry of Companies Affairs – Company Law Board – SEBI – Stock Exchanges – Corporate Governance

#### 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

### Question paper pattern

1. Question paper should be of 60 marks and 2 hours duration
2. No of questions to be set Four
3. All questions to be of 15 marks each

Detailed pattern can be as follows:

Q 1	Compulsory-No option	15 Marks
Q 2	Compulsory- No option- Objective type True of false, multiple choice, answer in one sentence, match the following	15 Marks
Q 3		15 Marks
OR		
Q 3		
Q 4		15 Marks
OR		
Q 4		

(Note: Questions may be sub-divided into smaller questions if necessary)

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## 2.4.5 Business Law - Paper III – (Industrial Regulatory Framework)

Topics	No. of lectures
The Factories Act, 1948	13
The Trade Union Act, 1926	12
The Industrial Disputes Act, 1947	13
The Payment of Wages Act, 1936	12

### Question paper pattern

1. Question paper should be of 60 marks and 2 hours duration
2. No of questions to be set Four
3. All questions to be of 15 marks each

Detailed pattern can be as follows:

Q 1	Compulsory-No option	15 Marks
Q 2	Compulsory- No option- Objective type True of false, multiple choice, answer in one sentence, match the following	15 Marks
Q 3		15 Marks
OR		
Q 3		
Q 4		15 Marks
OR		
Q 4		

(Note: Questions may be sub-divided into smaller questions if necessary)

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## 2.4.6 Information Technology - Paper II – (Applications in Accounting and Finance)

Topics	No. of lectures
Introduction to Internet and other emerging technologies	10
Developmental Tools	15
Introduction to an Accounting Package	15
Cyber laws and Information Technology Act 2000	10

### Detailed contents

#### 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

#### 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

#### Introduction to an Accounting Package

Company features, List of Accounts, Voucher entry  
Recommended Accounting packages  
i. Tally  
ii. Wings 2000 Pro

#### Cyber laws and Information Technology Act 2000

Brief history – Objectives of Act - Information Technology Act 2000

### Question paper pattern

1. Question paper should be of 60 marks and 2 hours duration
2. No of questions to be set Four
3. All questions to be of 15 marks each

Detailed pattern can be as follows:

Q 1	Compulsory-No option	15 Marks
Q 2	Compulsory- No option- Objective type True of false, multiple choice, answer in one sentence, match the following	15 Marks
Q 3		15 Marks
OR		
Q 3		
Q 4		15 Marks
OR		
Q 4		

(Note: Questions may be sub-divided into smaller questions if necessary)

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## 2.4.7 Quantitative Methods for Business - Paper II

Topics	No. of lectures
Introduction to operations research, concept, scope and applications	10
Linear Programming Model	10
Transportation model	10
Assignment model	10
Mathematics of Finance	10

### Detailed contents

#### Introduction to operations research, concept, scope and applications

#### 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

#### 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

#### Assignment model

Concept – solution by complete enumeration method and Hungarian method - Modification when problem is Maximization and/or Unbalanced type

#### 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

### Question paper pattern

1. Question paper should be of 60 marks and 2 hours duration
2. No of questions to be set Four
3. All questions to be of 15 marks each

Detailed pattern can be as follows:

Q 1	Compulsory-No option	15 Marks
Q 2	Compulsory- No option- Objective type	15 Marks
	True or false, multiple choice, answer in one sentence, match the following	
Q 3		15 Marks
OR		
Q 3		
Q 4		15 Marks
OR		
Q 4		

(Note: Questions may be sub-divided into smaller questions if necessary)

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## Reference Books

- **Accountancy**

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

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- **Management accounting**

Cost Management	Saxena & Vashist
Cost & Management Accounting	Ravi N.Kishor ,Publication Taxmonth
Essential of Management Accounting	P.N.Reddy,Himalaye
Advanced Management Accounting	Robert S Kailar,Holl
Financial Of Management Accounting	S.R.Varshney,Wisdom
Introduction Of Management Accounting	Charbs T Horngram, PHI Learnng
Management Accounting	I.m.Pandey, Vikas
Cost & Management Accounting	D.K.Mattal,Galgotia
Management Accounting	Khan & Jain,Tata Megaw
Management Accounting	R.P.Resstogi

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- **Taxation**

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

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- **Audit**

Contemporary Auditing by Kamal Gupta published by Tata McGraw Hills  
A Handbook of Practical Auditing by B N Tandon published by S Chand & Co. New Delhi  
Fundamentals of auditing by Kamal Gupta and Ashok Arora published by Tata McGraw Hills  
Textbook of Auditing by Batra and Bagrafia published by Tata McGraw Hills  
Practical Auditing by S V Ghatalia published by Spicer & Pegler

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- **Costing**

Lecture on costing by Swaminathan published by S.Chand & Co.  
Practical costing by Khanna Pandey and Ahuja published by S.Chand & Co.  
Cost Accounting by C S Rayudu published by Tata McGraw Hills  
Cost Accounting by Jawaharlal published by Tata McGraw Hills  
Theory and problems of Cost and Management accounting by M Y Khan and P K Jain published by Tata McGraw Hills  
Cost Accounting by Ravi M Kishore published by Taxmann ltd.  
Cost Accounting by N K Prasad

Cost Accounting- Theory and Practice by B K Bhar  
 Cost Accounting- Theory and Practice by M N Arora published by  
 Practical Costing by P C Tulsian published by Vikas Publishing house  
 Cost Accounting- Text and problems by M C Shukla, T S Grewal and M P Gupta published by S.Chand  
 Cost Accounting- Problems and solutions by V K Saxena C D Vashist published by S.Chand  
 Cost Accounting by S P Jain and K L Narang published by Kalyani  
 Cost Accounting- Principles and practice by M N Arora published by Vikas  
 Principles of Management Accounting by Anthony Robert published by Richard Irwin Inc  
 Cost Accounting- A Managerial emphasis by Horngreen, Charles, Foster and Datar published by Prentice Hall of India  
 Management Accounting by M Y Khan and P K Jain published by Tata McGraw Hills  
 Advanced Management Accounting by R S Kapllan and AA Atkinson Prentice India International  
 Advanced problems and solutions in Cost Accounting by S N Maheshwari published by Sultan Chand

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- **Management**

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

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- **Economics**

Andrew B Abel and Ben S Bernanke - "Macroeconomics"- Pearson Education New Delhi  
 David N Hyman - "Macroeconomics" McGraw Hill, New York, Latest Edition  
 D N Dwivedi - "Macroeconomics Theory and Policy"- Sultan Chand and Company, New Delhi, Latest Edition  
 Datt R. & K.P.M. Sundaram – "Indian Economy"- Sultan Chand and Company, New Delhi, Latest Edition  
 Dornbusch R. & S. Fischer – "Macroeconomics" McGraw Hill, New York, Latest Edition  
 Economic & Political Weekly: Various Issues.  
 Economic Survey of India -2007-08  
 G L Jain- "Macroeconomic System-Problems and Functions"- Mangal Deep, Publications, Jaipur  
 H L Ahuja – "Macroeconomics Theory and Policy – Advanced Analysis" - Sultan Chand and Company, New Delhi Latest Edition  
 K.P.M. Sundaram – "Money Banking and International Trade"- Sultan Chand and Company, New Delhi Latest Edition  
 Mankiw –"Principles of Macroeconomics"-Thomson-South-Western, New Delhi  
 Mishra and Puri – "Indian Economics"- Himalayan Publishing House, Latest Edition  
 K.Vasudevan – Central Banking – RBI Publications  
 Bhatt - Central Banking in India - Himalaya Publications

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- **Commerce**

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

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- **Quantitative Techniques**

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

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- **Information Technology**

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

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- **Business Law**

An introductory guide to Central Labour Legislation – W A Dawson  
Industrial Law – P L Malik  
Labour Management Relations in India – K B Vaid  
Personnel Management and Industrial relations – Kapur S , Punia B – Gurgaon SK  
Labour participation in Management – Mhetras V – Manaklals  
Principles of Modern Company Law – Gower L C B – Stevens and Sons  
Guide to Companies Act – Ramaiya A – Wadhwa & Co.  
Company Law – Singh Avtar – Eastern Book Co.  
Modern India Company Law – Kuchal M C – Mahavir Books  
Company Law – Incorporating the provisions of the companies Amendment Act 2000 – Kapoor N D  
Indian Contract Act , Sale of Goods Act and Partnership Act – Desai T R – S C – Sarkar and sons  
The Negotiable Instruments Act – Khergamwala J S – N M Tripathy  
The Principles of Mercantile Law – Singh Avtar – Eastern Books Co.  
Business Law – Kuchal M C – Vikas Publishing House  
Business Law – Kapoor N D – Chandra P R – Sultan Chand  
Business Law – Chandha P R - Galgotia

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**SEMESTER IV**  
**B Com (Accounting and Finance)**  
**SECOND YEAR**

<b>FOURTH SEMESTER</b>	
2.4.1	Financial Accounting Paper –IV (Special Accounting Areas)
2.4.2	Management Accounting Paper – I (Introduction to Management Accounting)
2.4.3	Taxation Paper – II (Indirect Taxes)
2.4.4	Commerce Paper – II (Financial Market Operations)
2.4.5	Business Law Paper – III (Industrial Regulatory Framework)
2.4.6	Information Technology Paper – II (Applications in Accounting and Finance)
2.4.7	Quantitative Methods for Business Paper – II

**2.4.4 Taxation Paper – II – (Indirect Taxes)**

**Topics**

**A. Indirect Tax – Central Excise law**

Basic Concepts – (Central Excise Act)

Classification (Central Excise Tariff Act)

Types of duties (Central Excise Act)

Valuation

Cenvat Credit (Cenvat Credit Rules)  
Procedures

**Sub Total**

**B. Indirect Tax – Service Tax**

Basic Concepts - (finance Act 1994)  
Classification of Services  
Valuation of Taxable Service  
Exemption  
Cenvat Credit (Re: Service Tax)  
Import of service Rules  
Export of Service Rules  
Procedures  
Specific Service

**Sub total**

**Detailed contents**

**A) Central Excise Law**

**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

**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

**Types of duties (Central Excise Act)**

Specific Duty, Ad-Valorem, Cesses-NCCD, EC, SAH EC, Compounded Levy

**Valuation**

Assessable Value (Central Excise Act) S: 4(1), Tariff Value, Transaction Value, Valuation Rules, MRP Based Value

**Cenvat Credit (Cenvat Credit Rules)**

Terms

Input, Capital goods, Eligible Duties, Eligible Documents, Utilization of credit

**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**

**Basic Concepts (Finance Act 1994)**

Taxable Event, Service, Taxable services, Service Provider, Person , Input Service, Output Service

**Classification of Services**

Significance of Classification, Principles of Classification

**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

**Specific Service**

Works Contract, Insurance Auxiliary, Management/ Business Consultancy, Event Management, Practicing Chartered Accountant

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• **Taxation**

Indirect Taxes by V.S.Datey published by Taxmann

Service Tax Reckoner V.S.Datey published by Taxmann

Central Excise law Manual R.K.Jain published by Taxmann

Service Tax S.S. Gupta published by Taxmann

