

Karnataka State Open University

Mysore, Karnataka - 570006

Course Structure and Syllabus

For

Bachelor of Commerce

COURSE STRUCTURE

First Year:

CODE	Course Title	Marks
L I	ENGLISH	100
L II	KANNADA	100
FC411	FINANCIAL ACCOUNTING - I	100
FC412	BUSINESS ORGANISATION AND MANAGEMENT	100
FC413	BUSINESS ECONOMICS	100
FC414	GEOGRAPHY OF INDUSTRIAL RESOURCES	100

Second Year:

CODE	Course Title	Marks
L I	ENGLISH	100
L II	KANNADA	100
SC421	FINANCIAL ACCOUNTING - II	100
SC422	COMPANY LAW AND SECRETARIAL PRACTICE	100
SC423	BUSINESS MATHEMATICS	100
SC424	BANKING THEORY AND PRACTICE	100

Third Year:

CODE	Course Title	Marks
TC431	BUSINESS STATISTICS	100
TC432	BUSINESS LAWS	100
TC433	MANAGERIAL ECONOMICS	100
TC434	LAW AND PRACTICE OF AUDITING	100
TC435	INCOME TAX LAW AND PRACTICE	100
TC436	COST ACCOUNTING	100
TC437	MANAGEMENT ACCOUNTING	100

KARNATAKA STATE OPEN UNIVERSITY

SYLLABUS

Bachelor of Commerce: YEAR-1

Course - FC411: FINANCIAL ACCOUNTING - I

UNIT – 1: Accounting Principles and Standards:- Meaning and Definition of Accounting - Importance of Accounting, Types and Rules of Accounts - Accounting Concepts and Conventions - Business Entity Concept, Going Concern Concept, Accounting Period Concept, Money Measurement Concept, Dual Aspect Concept and Matching Concept - Accounting Conventions – Consistency, Conservatism, Materiality and Disclosure - Accounting Standards - Meaning and Importance of Accounting Standards.

UNIT – 2: Final Accounts of Sole Trading Concerns: - Preparation of Trading and Profit/Loss Account and Balance Sheet-Treatment of general and special adjustments relating to company final accounts – Depreciation – Interest on Debentures – Dividends – Interim – Proposed – Unclaimed – Interest out of Capital – managerial remuneration - Commission.

UNIT – 3: Accounting for Consignment Transactions:- Meaning - Consignment v/s Sales, Invoice, Account Sales, Types of Commission - Goods sent at Cost and at Invoice Price - Valuation of Stock - Normal and Abnormal Loss - journal Entries - Ledger Accounts in the books of both the Consignor and the Consignee.

UNIT – 4: Departmental Accounts: - Meaning and Objects of Departmental Accounts – Apportionment of common expenses among different departments – Inter department Transfer at cost price - Preparation of Departmental Trading & Profit/Loss Account in columnar Form and preparation of Balance Sheets.

UNIT – 5: Bank Reconciliation Statement: - Meaning of Bank Reconciliation Statement - Reasons for the differences in the two balances viz., balances as per Cash Book and Pass Book - Preparation of Bank Reconciliation Statement

UNIT – 6: Branch Accounts: - Meaning & Types – Preparation of branch Accounts by head Office –Treatment of Cost Price – Invoice Price – Debtors Account – Creditors Account – Independent Branches – Preparation of head Office Account in branch books – Memorandum of Trading & Profit/loss account in head office books – Incorporation of trial balance of branch in head office books – Adjustments entries – Goods-in-transit/Cash-in-transit – Reconciliation of branch and head office Current Accounts.

UNIT – 7: Amalgamation: - Meaning – Objectives – vendor and Purchasing Company – Accounting entries – Treatment of Assets and Liabilities.

UNIT – 8: Leasing: - Meaning, Types, Merits and Demerits (only theory).

Skill Development Activities:

1. Accounting Concept - Illustration on Dual Aspect Concept.
2. Preparation of Performa invoice and Account sales
3. Final Accounts of a Sole Trader: Correcting a wrong trial balance, Correcting trading & Profit/Loss account and correcting wrong Balance sheet.
4. Departmental Accounting - Draft a layout structure of a Departmental Store and List out the basis of allocation of common expenses of a Departmental Organization.
5. Branch Accounting - Drafting of a Performa Invoice sent by head office.

Books for Reference:

1. **Accounting Principles:** Anthony, R.N. and Reece, J.S.; Richard Irwin Inc.
2. **Financial Accounting:** Gupta, R.L and Radhaswamy.M. Sultan Chand and Sons, New Delhi.
3. **Financial Accounting;** Monga J.R., Ahuja Girish, and Sehgal Ashok: Mayur Paper Back, Noida.
4. **Advanced Accounts;** Shukla. M.C., Grewal T.S., and Gupta, S.C.: S. Chand & Co. New Delhi.
5. **Compendium of Statement and Standards of Accounting:**
The Institute of Chartered Accountants of India, New Delhi.
6. **Higher Sciences of Accountancy:** Agarwala A.N., Agarwala K.N.
7. **Financial Accounts, Mishra A.K.:** Sahitya Bhawan
8. **Financial Accounting, Jha, B.K.:** Kedar Nath & Ram Nath, Meerut.
9. www.icaai.org

COURSE FC412: BUSINESS ORGANISATION AND MANAGMENT

UNIT – 1:Concept of Management:- Definitions – Characteristics – Principle of Management & Administration – Scope and functional areas of management, Management by Communication, Management by Systems, Management by Results - Management by Participation, Management by Motivation, MBE, MBO –Functions of management.

UNIT – 2: Planning: - Meaning – Nature – significance - Planning Process – Types - Importance – Principles steps – Planning and forecasting - Planning and Decision Making - Planning and Control.

UNIT – 3:Organizing:- Definitions - Principles of Organization - Formal & informal Organizations – Steps – Importance - Organization Development - Problems in Organization - Delegation - Centralization and Decentralization–Span of Control -

Types or Forms of Organization - Organizational goals – Determination of Organizational goals and Delegation of Authority – Nature and importance of Staffing – Process of selection and recruitment.

UNIT – 4: Directing: - Meaning – Principles - Nature of Directions - Elements of Direction – Directing and Other Managerial Activities - Importance of Direction- Orders and Instructions – Supervision -Essentials of Effective Supervision.

UNIT – 5:Leading:- Meaning – Functions - Qualities of good leader – Leadership Styles - Motivation-Meaning - Nature - Definitions - Modern Theories of Motivation – McGregor’s Theory, Maslow’s hierarchy of Needs Theory - Herzberg’s Theory.

UNIT – 6: Entrepreneurship: - Concept of Entrepreneur - Meaning, Definitions, Characteristics, Qualities, Types, Functions, Importance and Problems of Entrepreneur.

Skill Development Activities:

1. Write a report on any short term plan or one long term plan adopted by an organisation
2. Preparation of different types of Organizational Chart
3. Description of skills of a good manager.
4. Identify motivational techniques used by a company.
5. Preparation of a questionnaire and undertake an attitudinal survey about any issue of your interest
6. Mission and Vision Statements of at least eight organizations
7. Illustrate Maslow’s theory.

Book Reference:

1. **Essentials of Management:** Koontz H and O’ Donnel
2. **Practice of Management, Allied Management Tasks** – Peter F. Druckar
3. **The Process of Management** – S R Davar
4. **Principles of Management** – T N Chhabra
5. **Principles of Management** – L M Prasad
6. **Essentials of Management** - Koontz H and Heinz Weihrich
7. **Organizational Behaviour** – L M Prasad
8. **Organizational Behaviour** – Stephen P. Robbins

COURSE FC413: BUSINESS ECONOMICS

UNIT – 1: Business Economics: - Meaning- definitions- characteristics – distinction between business economics and economics – scope of business economics – Uses/objectives of business economics –role and responsibilities of business economist.

UNIT – 2: Consumer Behaviour: - Consumer sovereignty-limitations. Approaches to the study of consumer behaviour-cardinal approach-the law of equi-marginal utility, ordinal approach – indifference curve analysis-properties –consumer surplus – Meaning analysis, limitations.

UNIT – 3: Theory of Demand and Analysis:- Meaning and definition of Demand-Determinants of Demand – Law of demand, characteristics exceptions –Elasticity of Demand – Price elasticity – Types – determining factors- Change in demand and Elasticity of demand-Business applications of price elasticity- concepts of income and cross elasticity of demand - Price elasticity of demand measurement by total outlay method.

UNIT – 4: Demand Forecasting: - Meaning – Objectives – Factors involved in Demand forecasting – Methods of Demand forecasting: Survey Method, Statistical Method and Least Square Method Problems on Least Square Method, Forecasting Demand for New Products.

UNIT – 5:Law of Supply:- Meaning- Determinants of supply and its influence on cost of production - Production Function – Single variable-Law of variable proportion – Two variable –law of returns to scale - Equilibrium through Isoquants and Isocosts - Law of variable proportions – Economies of large scale of production- Diseconomies of large scale production.

Skill Development Activities:

1. Draft the diagrammatic representation of each aspect of the chapter in a book under different chapters.
2. Select and discuss the case studies that will have impact on business decision making in each chapter.
3. A Survey report on the demand forecasting for a product.
4. Student to choose a product and apply price elasticity in real situation.
5. Detail charts on Consumer Surplus.

Book Reference:

1.Economics Economic Theory and Operational Analysis: Baumol

2.Economics: McNell and Guptha

3.Principles of Economics: M. L. Seth

4. Business Economics-II , Chaturvedi D.D., Anand Mittal Brijwasi Book Distributors;2005

COURSE FC414: GEOGRAPHY OF INDUSTRIAL RESOURCES

UNIT – 1: Introduction to Commercial Geography: - Meaning & Nature of Commercial Geography- Scope of Commercial Geography - Significance of Commercial Geography.

UNIT – 2: Resources:- Meaning & Importance of Resources - Classification of Resources - Conservation of Resources - Major Bio Resources & their international trade.

UNIT – 3: Manufacturing Industries:- Factors of Industrial Localization - Brief Study of following Industries with special reference to World: Iron & Steel Industry, Automobile Industry, Cotton Textile Industry and Petro-chemical Industry - New Industrial Policies in India.

UNIT – 4: Transportation & Communication:- Significance of Transportation & Communication - Types of Transportation - Road, Railway, Sea & Air transportation with reference to world - Mass communication- Satellite communication & computer networking.

Globalization & Market System

UNIT – 1: Globalization:- Concept and Nature of Globalization - Trend of Globalization - Impact of Globalization.

UNIT – 2: Market System:- Definition of Market - Structure & Significance of Market - Geographical factors affecting Market system - Classification of Markets.

UNIT – 3: International trade:- Meaning and Significance of Trade - Importance & bases of international trade - Trade organizations- WTO, OPEC, EEC - Classical Theory of International Trade.

Skill Development Activities:

1. Identify the production areas of resources and industries in the world and existing market system.
2. Identify social cultural and demographic features of your locality. Comment on licensing procedure.
3. Write a report on Iron and steel industry with reference to its location, distribution and production.
4. Discuss the Suez canal route as commercial highway of the world.

Bachelor of Commerce: YEAR-2

Course - SC421: FINANCIAL ACCOUNTING - II

UNIT – 1: Hire Purchase Accounting:- Introduction - Meaning of Hire Purchase - Hire Purchase agreement – Preparation of Statement Analysis – Ascertainment of cash price of an asset – Journal entries and Ledger accounts in the books of Hire Purchaser and Hire Vendor (including problems on Partial and Complete Repossession) – Termination of the agreement – Rights of the owner on termination.

Unit – 2: Insurance Claims:- Introduction - Preparation of statement of Cost of Goods sold – Preparation of Statement to ascertain value of stock on the date of Fire -

Treatment of Salvage –Valuation of stocks prior to date of fire -Calculation of GP. Ratio when GP Ratio is not given - Treatment of Average Clause - Treatment of Abnormal items.

Unit - 3: Instalment system: - Introduction – Meaning – Difference between Hire Purchase and Instalment Purchase system –Treatment of Interest Suspense Account - Journal entries and Ledger account in the books of both parties.

Unit - 4: Joint Venture: - Meaning and Purposes – Distinction between Joint Venture and Consignment - Distinction between Joint Venture and Partnership - Methods of maintaining accounts – (a) Separate set of Accounts (Joint Bank System). (b) Recording of all Joint Venture transactions in the books of each of the Venturers.

Unit - 5: Royalty Accounts including Sub-lease: Meaning of Royalty - Minimum Rent - Short Workings - Recoupment of Short Workings under Fixed/Floating period – Recoupment within the Life of a Lease – Preparation of Journal Entries and Ledger Accounts in the books of Lessor and Lessee.

Unit – 6: Human Resource Accounting: Meaning – Objectives - Methods, Advantages and Limitations.

Skill Development Activities:

6. Hire Purchase Accounting - Drafting of Hire Purchase Agreements and Collection of copies of Hire Purchase Agreements - Ascertainment of Cash Price and interest under Hire Purchase System
7. Fire Claims - Collection of Fire Claim Forms and filling the same.
8. List out the areas of business where joint venture form of business can be adopted.
9. Royalty Accounts - Drafting of Royalty Agreements and Collection of Royalty Agreements and preparing royalty analysis statement with imaginary figures.
10. States the difference between consignment & joint venture and Hire purchase & Instalment system.

Books for Reference:

1. Accounting Principles; Anthony, R.N. and Reece, J.S.: Richard Irwin Inc.2.

2.Financial Accounting; Gupta, R.L and Radhaswamy, M:
Sultan Chand and Sons, New Delhi.

3. Financial Accounting; . Monga J.R., Ahuja Girish, and Sehgal Ashok:
Mayur Paper Back, Noida.

4. Advanced Accounts; Shukla. M.C., Grewal T.S., and Gupta, S.C.:
S. Chand & Co. New Delhi.

5. Compendium of Statement and Standards of Accounting:
The Institute of Chartered Accountants of India, New Delhi.

6 Higher Sciences of Accountancy : . Agarwala A.N., Agarwala K.N.:

Course - SC422: COMPANY LAW AND SECRETARIAL PRACTICE

UNIT – 1: Company Secretary: - Objectives – Meaning and Definitions – Statutory Qualifications – Appointments – Position – Duties – Power and Rights – Liabilities – Removal of a Secretary.

Unit – 2: Company: - Companies Act - Meaning and Definition – Kinds of Companies – Limited and Unlimited, Private and Public, Government companies, statutory companies, Registered Companies.
Membership: Definition – Methods – Rights of members – Termination – Liabilities.

Unit - 3: Formation of Companies: - Promotion of companies –Promoters – Function and Duties of Promoters – Civil and Criminal Liabilities of promoters - Incorporation Stage – Memorandum of Association – Articles of Association – Capital subscription stage – Commencement of business.

Winding up of Companies: Objectives – Meaning – Modes of winding up.

Liquidation of Companies: Meaning – Circumstances of Liquidation - Liquidator: Objectives – Power and Duties of Liquidator – Preparing final statements.

Unit - 4: Shares and Stock: - Objectives – Meaning – Kinds of shares – Stock – Issue of shares – Bonus shares - Allotment of Shares – Calls on Shares - Forfeiture of Shares – Share certificate – Share warrant – Transfer of Share – Valuation of shares.

Unit - 5: Debentures and Redemption: - Objectives – Meaning - Types of Debentures – Transfer of Debentures – Redemption of Debentures – Methods – Accounting under different conditions for issue of shares and accounting of Redemption..

Redemption of Preference – Objectives – Kinds and Conditions of Redemption.

Payment of Dividend - Objectives – Meaning – Interim Dividend - Dividend Warrant.

Payment of Interest – Objectives – Procedure – Payment of Interest out of Capital.

Unit - 6: Underwriting of Shares and Debentures: - Meaning – Definition - Types of Underwriting – Open, Pure and Firm Underwriting – Calculation of Underwriting commission – Problems on underwriting Shares and Debentures.

Unit – 7: Meeting: - Meaning – Definition – Kinds of Meetings – Requisites of Valid Meeting – Resolutions – kinds of resolutions – Minutes – Statutory meeting – Annual General Meeting – Extra-ordinary Meetings.

Skill Development Activities:

1. Value equity shares using imaginary figures and collection of financial statements of a company.
2. Guidelines of bonus issue and redemption of preference of shares.
3. Analysing business growth of a company on basis of reported financial results.
4. Draft a notice to convene annual general meeting.

5. Draft resolutions of declaration of dividend, appointment of auditor and Issue of bonus shares.
6. Draft a Memorandum of Association and mention different clauses.
7. Draft an Articles of Association and its clauses.

Book Reference

- 1. Company Law and Secretarial Practice:** M. C. Kuchhal
- 2. Indian Company Law:** Avtar Singh.
- 3. Elements of Company Lay:** N. D. Kapoor
- 4. Guide to Companies Act:** Ramaiah
- 5. Business and Corporate Laws:** P. S. Gogana
- 6. Company Law and Secretarial Practice:** Sherlkar

Course - SC423: BUSINESS MATHEMATICS

UNIT – 1: Indices and Logarithms: - Meaning – Basic Laws of Indices and their application for simplification – laws of Logarithms – Common Logarithm – Application of Log Table for Simplification – Permutations and Combination.

Unit – 2: Progression: - Meaning of Sequence – Progression – Arithmetic Progression – Geometric Progression – General terms & sum of n terms of arithmetic progression and geometric progression – Application problems on Progression.

Unit - 3: Ratio, Proportion and Variations: - Ratio - Proportion – Variations - Speed – Time – Work completion - Percentages and their Application.

Unit - 4: Simple Interest and Compound Interest: - Simple Interest – Compound Interest – Annuity - Bills discounting – Meaning – Concepts – bankers discount – True discount – Bankers gain and Present worth of Bill.

Unit - 5: Calculus: - Meaning of Functions and Calculus – Application of Calculus to compute Cost, Revenue and Profit functions.

Skill Development Activities:

1. Using log table, find out rate and time in compound interest problem.
2. Application of AP & GP to solve business problems.
3. Application problems on ratio and Proportion.
4. Computing monthly/quarterly/half yearly compound interest on FD or loan amount.
5. Finding BD, TD, BG, DV and PV on bills discounting.
6. Application problems by using differential calculus.

Books for Reference:

- 1. Accounting Principles;** Anthony, R.N. and Reece, J.S.: Richard Irwin Inc.

- 2. Financial Accounting;** Gupta, R.L and Radhaswamy, M:
Sultan Chand and Sons, New Delhi.
- 3. Financial Accounting;** . Monga J.R., Ahuja Girish, and Sehgal Ashok:
Mayur Paper Back, Noida.
- 4. Advanced Accounts;** Shukla. M.C., Grewal T.S., and Gupta, S.C.:
S. Chand & Co. New Delhi.
- 5. Compendium of Statement and Standards of Accounting:**
The Institute of Chartered Accountants of India, New Delhi.
- 6 Higher Sciences of Accountancy :** . Agarwala A.N., Agarwala K.N.:

Course - SC424: BANKING THEORY AND PRACTICE

Chapter – 1: Banking: - Meaning – Definitions – Role of Banks – Types of Banks – Banking structure – Unit and branch banking, Pure and Mixed Banking.

Chapter–2: Banker and Customer: - Meaning – General Relationship and Special relationship – Banker’s Obligations: to Honour cheques, to maintain Secrecy of Accounts - Banker’s Rights: - General Lien, Right of Set-off, Right of Appropriation. Types of Accounts and Procedure to open a bank Account.

Chapter-3: Types of Customers: - Minor – Joint account – Partnership Account – Private and Public Limited Company – Registered and Unregistered Societies and clubs.

Chapter-4: Paying Banker: - Objectives – Mandatory Functions – Precautions to be taken by Banker – Statutory Protection - Collecting Banker – Duties – Rights and Liabilities – Statutory Protection.

Chapter-4: Collecting Banker: - Meaning – Collection of Cheques – General duties of Collecting Banker – Protection to Collecting Banker – Bills of exchange.

Chapter-5: Cheques: - Definitions – Essentials of valid Cheque – Crossing of Cheques – Endorsements on Cheques – Types of Endorsements.

Skill Development Activities:

1. Write a Performa of a Cheque and show different types of crossing.
2. Collection of Specimen of Cheques and Demand drafts.
3. Visit a bank and write the procedure of opening an account and paste filled account opening form.
4. Enumerating of Banks in your area and classifying them.

Book Reference

1. **Central Banking** M.H. De kock

2. **Modern Banking** M.C. Vaishya
3. **Banking Theory & Practice** B.S. Raman
4. **Banking Theory & Practice** Shekhar and Shekhar
5. **Banking Theory & Practice in India** Varshney and Radhaswamy
6. www.rbi.org.

Bachelor of Commerce: YEAR-3

Course - TC431: BUSINESS STATISTICS

UNIT – 1: Introduction to Statistics: - Objectives - Meaning – Definitions – Functions – Scope and Limitations of Statistics – Distrust of Statistics.

Unit – 2: Collection of Data: - Primary Data and Secondary Data – Meaning and Methods of Collection – Classification:– Meaning and Modes of Classification - Tabulation – Meaning – Types of Tables – Rules for Construction – Parts of a Statistical Table – Problems on Tabulation .

Unit - 3: Averages: - Arithmetic Mean – Median – Quartiles – Mode – Histograms and Ogive curves – Dispersion – Quartile Deviation – Standard Deviation and their Co-efficient of Variation.

Unit - 4: Skewness: - Meaning – Types of Skewness –Tests of Skewness - Absolute and Relative measures of Skewness – Methods-Karl Pearson’s Co-efficient and Bowley’s Co-efficient of Skewness.

Unit - 5: Correlation: - Meaning – Methods of studying Correlation- Degree of Correlation - Karl Pearson’s Co-efficient of Correlation – Spearman’s Rank Correlation – Interpretation of Co-efficient of Correlation
Regression Analysis – Meaning – Determination of Regression Co-efficient - Formation of Regression equation and Estimation.

Unit – 6: Statistical Decision Theory: - Meaning – Pay off Table – Expected monetary values and Expected values of perfect information.

Skill Development Activities:

11. Preparation of Statistical Tables, Percentage Bar Diagram.
12. Preparation of Histogram and location of mode in particular case.
13. Location of Median and Quartiles with the help of Ogive in a practical case.
14. Collect the data about share prices of two companies and discuss their stability.
15. Ascertain Rank Correlation in practical case.

Books for Reference:

1. **Statistical Methods:** S P Gupta
2. **Practical Statistics :** R S N Pillai and Bhagavathi
3. **Practical Statistics :** S C Gupta
4. **Business Statistics:** G. C. Beri Tata McGraw Hill
5. **Business Statistics:** J K Sharma, Pearson Education
6. **Statistical Methods in Business and Social Science:** Shenoy and Pant, Macmillan
7. **Fundamentals of Statistics:** Goon, Gupta and Dasgupta, The World Press
8. **Statistics for Management,** R. I. Levin and D.S. Rubin Prentice Hall
9. **Fundamentals of Statistics ;** S.C.Gupta, Himalaya Publishing House
10. **Statistical Methods :** P.Gupta Sultan Chand and Sons

Course - TC432: BUSINESS LAWS

UNIT – 1: Introduction to Indian Contract Act: - Meaning – Scope of Business Law – Indian Contract Act - Objectives – Definitions – Types - Essentials of a Valid contract – Classification of Contract – Quasi contractual obligations.

Unit- 2: Offer and Acceptance: - Rules of valid Offer and Acceptance – Communication and Revocation of offer and Acceptances – Contractual capacity – Free consent – Coercion – Undue influence – Fraud – misrepresentation – Mistake.

Unit - 3: Consideration: - Rules of Valid consideration – contracts without consideration – stranger to contract – Legality of object and consideration – Contract opposed to public policy – Void agreements.

Unit - 4: Discharge of Contract: - Remedies for Breach of Contract – Quasi Contracts.

Unit - 5: Sale of Goods Act: - Definition – Condition and Warranties – Transfer of Property – performance of contract of sale.

Unit - 6: Partnership Act: - Definition – Firms –Partnership deed – Duties and Liabilities of partner – Mode of Dissolution.

Unit - 7: Laws of Contract of indemnity and Guarantee – Bailment and Pledge – Agency.

Skill Development Activities:

8. Draft any one agreement (Ex: Sale deed, Gift deed, Rent Deed/Indemnity Bond).
9. Draft a chart showing different kinds of agencies.
10. Visit a court and prepare a report on the proceedings of the court.
11. Any two case studies relating to any legal judgment on any provisions of contracts Act.
12. Visit a consumer forum and list out the nature of disputes referred to consumer court.

Books for Reference:

1. **Business Law:** Tulsian Tata McGraw Hill, New Delhi.
2. **Business Law:** Aswathappa. K & Ramachandra, HPH, Mumbai.
3. **Business Law:** Kapoor N.D. - Sultan Chand and Co.
4. **Bare Acts.**
5. **Business Law:** Nabhi - Indian Law House, Mumbai.
6. **Business Law-**. Garg, Sareen, Sharma and Chawla -
7. **Business Law:** M.C. Kuchhal

Course - TC433: MANAGERIAL ECONOMICS

UNIT – 1: Introduction to Managerial Economics: - Definition – nature and Scope – Fundamental Economics principles that aid Managerial Decisions – Opportunity cost Principle – Incremental Principle – Principle of Time Perspective – Discounting Principle – Equi-marginal Principle.

Unit – 2: Production and Cost Analysis: - Concept of Production Function - Law of Variable Proportion and Economies of Scale - Internal and external.

Unit - 3: Cost Analysis: - Fixed and Variable Cost - Explicit and Implicit Costs - Marginal and Average Costs - Short-run and Long-run Cost Curves. Revenue Analysis: - Meaning - Average Revenue and Marginal Revenue under Perfect Competition and under Imperfect Competition.

Unit - 4: Price and Output Determination under perfect Competition – Monopoly – Monopolistic Competition – Oligopoly.

Unit - 5: Pricing Policies and Practices: - Cost plus Pricing - Price Skimming - Price Penetration - Transfer Pricing - Multiple Product Pricing - Price Bidding.

Skill Development Activities:

1. An illustration on calculation of Incremental Cost and Incremental Revenue.
2. Determination of Fixed and Variable Cost.
3. Determination of Average Cost, Marginal Cost and Total Cost.
4. Construction of Average Fixed Cost, Average Variable Cost and Average Total Cost Curves,
5. Diagrammatic presentation of Price and Output Determination in different Market situations.
6. Construction of Average Revenue and Marginal Revenue under Imperfect Market.
7. Fixation of Price under Target Pricing based on Rate of Return Method.

Book Reference:

1. **Managerial Economics:** Shankaran
2. **05.Managerial Economics:** Mehta
3. **06.Managerial Economics:** Varshney and Maheshwari
4. **07.Managerial Economics:** Mithani
5. **08.Managerial Economics:** Wali and Kulkundran
6. **09.Managerial Economics:** Joel Dean

Course - TC434: LAW AND PRATICE OF AUDITING

UNIT – 1: Auditing: - Meaning and Definition of Auditing – Nature and Scope of Auditing - Objectives of Auditing – Advantages and Limitations of Auditing – Classification of audit: Statutory – Government - Private – Internal Auditing.

Unit – 2: Audit Planning and Control: - Factors affecting Audit Planning – Audit Programme – Advantages and Disadvantages of Audit Programme - Audit note book – Appointment of a Company Auditor – Qualifications – Removal of Auditor – Rights and Duties of a company Auditor – Audit of Annual Accounts – Auditors report – Clean and Qualified Report.

Unit - 3: Internal Check and Internal Control: - Meaning - Objectives – Advantages and Limitations of Internal check – Internal check for various transactions – Internal Control - Limitation of Internal Control – Internal Audit.
Vouching: Meaning – Importance – Voucher - Vouching of cash transactions.

Unit - 4: Verification and Valuation of Assets and Liabilities: - Meaning – Classification of Assets - Verification and Valuation of some assets and liabilities.
Assets: Goodwill – Stock in Trade – Investment
Liabilities: Capital – Sundry creditors – Debentures.

Unit - 5: Audit of Different types of Organisations: - Audit of Government Accounts – Audit of Joint stock companies.

Skill Development Activities:

5. Prepare an audit programme assuming you are a company auditor.
6. Prepare an audit report of a banking company with imaginary figures.
7. Collect a blank voucher and fill with imaginary figures.
8. Write points to be noted at the time of audit in the audit note book.
9. Collect the information about classification of audit conducted in different organizations.
10. Formulating an internal check system for cash sales.

Books for Reference:

1. **Practical Auditing** - B.N.Tandon and others
2. **Practical Auditing** – Spices and Pegler
3. **Auditing** – T. R Sharma
4. **Auditing** – Jagadeesh Prakash
5. **Principles of Auditing** – Rick Hayers and Others
6. **Principles of auditing** – R.G. Saxena
7. **Fundamentals of Auditing** – Kamal Gupta

Course - TC435: INCOME TAX LAW AND PRATICE

UNIT – 1: Introduction to Income Tax: - Important Terms – Person – Income – Assessment Year – Previous Year – Assesse – Gross total Income – Total Income – Finance Bill – Exempted Incomes – Residential Status and Incidence of Tax(Individuals only).

Unit – 2: Heads of Income: - Income from Salary – features of Salary Income – Basic Salary – Allowances – Perquisites – Retirement Benefits – Gratuity – Commutation of Pension – Deductions U/S 16 – Problems on Income from Salary.

Unit - 3: Computation of Income from House Property – Deemed Owners – Exempted Incomes – Annual values – Determination of Annual Values under Different situations – Deductions – Practical Problems.

Unit - 4: Income from Other Sources: - Kinds of Securities – Bond washing Transactions – Exempted Interest - Deduction of Tax at Source – Grossing Up – Deductions U/S 57 – Problems.

Unit - 5: Capital Gains: - Types of capital Assets – Transfer – Cost of Acquisition – Cost of Improvement – Selling Expenses – Deduction U/S 54.

Unit – 6: Deprecation:- Meaning – Conditions – Block of Assets – Problems on Computation of Deprecation U/S 32.

Unit - 7: Set off and Carry Forward of Losses: - Introduction - Order of set off – Filing of return of Loss - Deductions under Chapter VI A – 80C, 80CCC, 80CCD, 80CCE, 80CCF, 80D, 80DD, 80DDB, 80E, 80G, 80GG, 80GGB, 80QQB, 80RRB, 80U – Assessment of Individuals – Assessment of Partnership – Tax Procedure.

Skill Development Activities:

1. Draw a structure of computing annual value under the head “Income from house property”.
2. Identify the transactions not regarded as transfer for capital gains purposes.
3. Collection of Salary certificate of an employee.
4. List out the taxable income under head “Income from Other sources”.
5. Filling of Different kinds of form used for Filing Tax return.
6. Prepare a list of changes effected in the current Finance Act and the Rate of tax applicable.

Books for Reference:

1. **IT Law and Practice** – V P Gaur, D.B. Narang & Others (Kalyani Publishers)
2. **IT Law and Accounts** – Dr. H C Mehrotra & Dr. S P Goyal (Sahitya Bhavan Publications)
3. **Problems and Solutions in Income Tax** : Dr. H C Mehrotra & Dr. S P Goyal (Sahitya Bhavan Publications)
4. **IT Law and Practice** – Dr. Bhagawathi Prasad (Vishwa Prakashan)
5. **Direct Taxes** – B.B Lal (Konark Publishers)
6. **IT Law and Practice** - M.B Kadkal (Renuka Prakashan)
7. **IT Law and Practice** - Dinkar Pagare (Sultan Chand & Sons)
8. **Direct Taxes – Law and Practice** – Dr. V.K. Singhania (Taxmann Publications)
9. **Government of India** – Income Tax Manual

Course - TC436: COST ACCOUNTING

UNIT – 1: Introduction to Cost Accounting: - Meaning - Definition of Cost – Costing Cost Accounting - Limitations of Financial Accounting - Differences between Financial Accounting and Cost Accounting - Objectives and Scope of Cost Accounting - Advantages and Limitations of Cost Accounting – Methods and Techniques of Costing.

Unit – 2: Elements of Cost: - Cost Analysis – Direct and Indirect Cost - Problems on Cost Sheet – Tenders - Quotations and Estimations.

Unit - 3: Material Cost: - Meaning – Objectives and Essentials - Purchase of Materials - Centralization and Decentralized Purchasing - Purchase Procedures - Stores Control - Meaning and Techniques - Fixation of Stock Levels – EOQ - ABC Analysis – VED Analysis – Perpetual Inventory System - Bin Card - Stores Ledger - Pricing of Material Issues – FIFO – LIFO - Simple Average and Weighted Average Method.

Unit - 4: Labour cost: - Labour Cost Control - Time Keeping and Time Booking - Treatment of Idle Time and Over Time - Labour Turn Over - Preparation of Wage Sheet - Methods of Wage Payment - Time Rate - Piece Rate and Incentives Plans - Halsey Plan - Rowan Plan - Emerson's Efficiency Plan.

Unit - 5: Overhead: - Meaning - Classification of Overheads - Allocation and Apportionment of Overheads – Re-apportionment of Overheads - Direct Distribution - Step Ladder Method - Absorption of Overheads - Percentage on Direct Material Cost – Direct Labour Cost - Direct Labour Hour Rate and Machine Hour Rate – Problems on Allocation – Absorption of Overhead Expenses including Machine Hour Rate.

Unit - 6: Reconciliation of Cost and Financial Accounts:- Meaning of Reconciliation - Reasons – Reconciliation Methods - Problems on Reconciliation including Preparation of Cost Sheet and Profit And Loss Account.

Skill Development Activities:

1. Prepare a cost sheet format with opening and closing stocks of materials, work in progress and finished goods with imaginary figures.
2. Naming the appropriate Cost Unit with justification for the following Industries KPC, KPTCL, Hotel, Water Supply, Bakery, Sugar Factory, Railways – Passengers and goods Transport.
3. Listing of Manufacturing Units/Service Organizations in your town along with
(a) Products manufactured by them/services rendered by them and
(b) Suitable Method of Costing and Cost Unit applicable to them.
4. Visit a Factory/Industrial Undertaking and write a Report on any two of the following:
 - 4.1. Purchase Policy/Procedure
 - 4.2. Material Issue Procedure
 - 4.3. Labour/Employee Time Record Method
 - 4.4. Wage Payment Procedure
5. Write the specimen format and a note on the following - Bin Card, Stores Ledger, Material Requisition, Pay Roll, Time Card, Labour Cost Sheet, Idle Time Card and Purchase Requisition.
6. Visit a Factory/Industrial Unit and write a report covering – Costing Department, Production Department, Personnel Department and Selling Department.

Books for Reference:

1. **Cost Accounting:** N.K. Prasad
2. **Cost Accounting:** Nigam & Sharma
3. **Practical Costing:** Khanna Pandey & Ahuja

- 4: **Cost Accounting:** M.L. Agarwal
5. **Cost Accounting:** Jain & Narang
6. **Cost Accounting** S.P. Iyengar
7. **Cost Accounting:** S.N. Maheshwari
8. **Cost Accounting:** A Managerial Emphasis. Horngren
9. **Cost Accounting:** M. N. Arora
10. **Cost Accounting:** Dutta

Course - TC437: MANAGMENT ACCOUNTING

UNIT – 1: Introduction: - Meaning - Definition of Management Accounting –Scope and Objectives of Management Accounting - Differences between Financial Accounting, Management accounting and Cost accounting - Advantages and Disadvantages - Installation of Management Accounting system – Steps involved and overcoming resistance to change - Tools and techniques of Management Accounting.

UNIT – 2: Analysis of Financial Statements: - Meaning – Nature – Limitations of Financial Statements – Financial Statements Analysis: Meaning and definition - Difference between Analysis and Interpretation – Comparative Statement Analysis – Common size Statement Analysis – Trend Analysis – Fund Analysis.

UNIT – 3: Financial Ratio Analysis: - Meaning - Definition of Ratio – Nature and Interpretation of Ratios – Limitations
Classification of Ratios – Liquidity – Solvency – Current – Liquid Ratio - Efficiency and Profitability ratios. Advantages and Limitations of Ratio analysis - Computation of ratios and preparation of balance sheet from ratios.

UNIT – 4: Fund Flow Statement: - Meaning of Funds flow Statement - Objectives and Uses of funds flow statement - Comparison between funds flow statement and Balance sheet – Comparison between funds flow statement and Income statements - Steps involved in preparation of Fund Flow Statement – Treatment of Taxation Provision and Proposed Dividend – Utility and Limitations of Fund Flow Statement.

UNIT – 5: Cash Flow Statement: - Meaning and Objectives of Cash flow statement - Differences between Fund flow statement and Cash flow statement - Steps involved in preparation Cash Flow Statement - Utility and Limitations of Cash Flow Statement.

UNIT – 6: Marginal Costing: - Meaning – Basic Concepts – Assumptions – Marginal Cost statement – Contribution – Break Even Analysis – P/V Ratio – Margin of Safety.

UNIT – 7: Budget and Budgetary Control: - Meaning – Budget, Budgeting and Budgetary Control - Budget manual – Key Factor – Classification of Budgets – Problems on Sales and Flexible Budgets.

UNIT – 8: Standard Costing: - Definition – Difference between Standard Costing and Budgetary Control - Difference between Estimated Cost and Standard Costing. Variance Analysis – Classification of variances - Problems on material cost, Labour cost and overhead cost variances.

Skill Development Activities:

1. Collection of Financial statements of an Organization for two years and calculating GPR/NPR/Current Ratio/Liquidity Ratio/Debt-Equity ratio.
2. Preparation of Fund flow statement and determination of funds from operations with imaginary figures and
3. Identifying Fixed and Variable Cost components from statements collected.
4. Calculation of material Cost Variances and Labour Cost variances using imaginary figures.
5. Preparation of sales budget for three divisions with imaginary figures.

Books for Reference:

1. **Management Accounting-** Sharma and Gupta
2. **Management Accounting -**S.N.Maheshwari
3. **Management Accounting -**Saxena
4. **Management Accounting-** Goyal and Manmohan
5. **Management Accounting -**Pillai and Bhagavathi