

COMMERCE AND ACCOUNTANCY

CODE-07

PAPER-1

BOOK-KEEPING AND ACCOUNTANCY

Accounting structure, accounting equations. Special purpose subsidiary books, basic accounting concept and conventions. Nature of final accounts and accounting concept of Income. Costs and avenues, Analysis of changes in income. Bills of exchange, De-recoatpm . Reserves and sinking funds.

Error and their rectification, average due date and account current.

Consignment and joint ventures, sectional and self balancing ledgers, Single entry system. Income and expenditure and receipts and payments accounts. Partnership accounts(including admission, retirement and dissolution of partners.)

BUSINESS ORGANISATION AND MANAGEMENT.

Business Organization-Nature of Business and its evolution, Comparative study of the forms of Business organization- single proprietorship, partnership.

Company, Business combinations Channels of distribution, retail, wholesale, selections of channels of distribution. Financing of home trade, personal setting.

Advertising, credit and collections, transportation and storage forms of transportation. Service, selection of mode of transportation, co-ordination in various mode of Transportation. Types of storage, characteristics of adequate storage facilities. Principles of Insurance, Fire, Marine and Life. Nature of Management, Functions of Management, Financial Management. Types, methods and sources of Finance. Capital structure, Internal Management Line, Line staff, functional decentralization of authority. Personnel Management, Recruitment, Selection, Placement, Training, Job evaluation and Meritrating.

Business Statistics:- Definition, scope, functions and limitations of statistics, collection of primary and secondary data editing, classification and tabulation of data.

Presentation of data through diagrams and graphs. One dimensional, two dimensional and three dimensional diagrams. Graphson Natural and semi-logarithmic scale. Time series graphs, Frequency. O Give curves and Galton method of locating median.

Measures of central tendency:- Arithematic mean, Geometric mean, Hormonic mean, Mode and Median for grouped and ungrouped data, Measures of dispersion, Range, Quartile deviation, Mean and Standard Deviations, Co-efficients of dispersion, co-efficient of variation, Skewness and co-efficient of Skewness.

Correlation analysis:-Simple Correlation between two variable (grouped and ungrouped data). Bank correlation and correlation of concurrent division.

Construction of Index Number:- Purpose and problems fixed and Chain Base Methods, Choice of averages.

Analysis of time series, components of time series(Absolute and Relative), secular trend, Cyclical, Seasonal and Irregular Fluctuations, Isolation of Trend.

Free-hand curve method. Moving average method. Semi average method and least square method (Fittings traight lines only).

Indian Statistics- Sources of statistical data relating to Agriculture Industry, Population, Trade and Prices, Statistical Organizations at the Centre and in the States.

Commercial Law:- Indian Law relating to contracts(including Bailment, Pledge Indemnity, Guarantee and Agency), Partnership Act.

Sales of Goods, negotiable Instruments and Insolvency and Arbitration Act.

PAPER-II

MONEY BANKING AND INTERNATIONAL TRADE

Money:- Definition and functions, Role in Capitalist and Socialist economy, Classificaton, paper money methods of issue monetary standards, Value of money its meaning and measurement of changes. Determination of the value of money quantity theory.

The Fishers and Cambridge equations. Income and expenditure approach Liquidity theory. Inflation. Open and Suppressed, Demand pull and cost push. Monetary institutions money and capital markets policy-its objectives and techniques. Brief History of Indian currency with special emphasis on the present day currency problems in India.

Banks :- Their types and functions, the nature of commercial banking operations, Distribution of principles and objectives. Control Banks. The nature of their business, objectives and techniques of central banking.

Indian Banking system :- Commercial banks- State Bank of India and subsidiaries. Foreign Banks. The Co-operative banking section. Indigenous banking Specialised financial institutions. Reserve Bank of India, its functions and a detailed critical study of the policies since, 1951.

International Trades :- International trade. Theory of Comparative cost, Balance of payments, Foreign Exchange, Determination of Exchange rates, Exchange fluctuations, their causes and corrective. Tariff and other forms of trade controls. International financial institutions. Contemporary problems of India's international trade value, composition and direction of foreign trade, balance of payment-exchange control of export, promotional exchange value of rupee-Indian and the International Trade agreement-State trading and financing of trade-foreign exchange crisis and cure.

Company Law :- A study of the provisions of Indian Law regarding companies (excluding winding up proceedings).

Note :- Candidates are expected to be acquainted with general principle of Law including amendments made six months before the commencement of the examination.

INCOME TAX AND AUDITING

Income Tax :- Law and practice of income :- Definition, Distinction between capital and Revenues. Basis of charge or incidence of tax liability. Exempted incomes, heads of incomes, income of other persons included in assessee's total income. Computation of total taxable income in regard to income of individuals, H.U.Fs and Firms.

Carry forward and set off of losses, Depreciation, Development rebate and Development allowance. Rebate, Reliefs and deductions-Double taxation relief- Advance payment of tax deduction of tax source. Income Tax authorities and administration of the Act regarding Assessment, Appeals, Revisions. Refunds and Penalties.

Auditing :- Its origin, definition, scope, objects and advantages, Classes of audits, continuous and completed internal check internal Audit, Audit programme techniques of Auditing Vouching, Verification of assets and liabilities, depreciation and reserves, Divisible profits, conducting investigations, auditor's report.

Management :- (1) Elements of Management Accounting.

1. Introduction :- Management Accountancy.

Conventions of Management Accountancy.

Organisation for Management Accountancy, Responsibilities of Management Accountancy. Limitation of Management Accountancy.

2. Analysis and interpretation of financial statements, financial statements and their nature. Importance of Financial Statement Analysis for Management Lending institutions. Investors and other techniques of analysis, ratios, comparative statements common size statements and funds flow and cash flow statements.
3. Budgetary Controls :- Meaning of Budget, Budgeting and budgetary control, Essentials for effective budgeting. Preparation of budgets. Types of budgets, techniques of Budgetary Control. Advantages of Budgeting limitations.
4. Cost- volume profit relationship.
5. Application Marginal cost equations contribution. PLV ratio break even point, margin of safety.
6. Graphical presentation of cost-volume-profit relationship and constitution of Break Even Charts, Alternative Forms of Charts their uses and limitations.
7. Construction of profit graph and its uses, profit graphs for analysis of by-products.

(ii) Elements of management principles :-

1. Introductory meaning, nature scope and importance of management in modern world. The managerial revolution, scientific management and rationalisation.
2. Brief historical background and management through 19th Century contributions, Bandage, Watt Owan etc. scientific approach in management. Taylor Philosophy, Henri Fayol and Urvic Human relations approach in management, Elton Mayo and Mary Parker-Follet.
3. An elementary knowledge of the functions of management :
 - (i) Planning ;
 - (ii) Organisation ;
 - (iii) Co-ordination ;
 - (iv) Motivation ;
 - (v) Control ;

Process of decision making (elementary approach).