

PAPER – 1 : PRINCIPLES AND PRACTICE OF ACCOUNTING

(One paper – Three hours – 100 Marks)

Objective:

To develop an understanding of the basic concepts and principles of Accounting and acquire the ability to apply the same in preparing financial statements, computing accounting ratios and simple problem solving.

Contents:

1. Theoretical Framework

- (i) Meaning and Scope of accounting
- (ii) Accounting Concepts, Principles and Conventions
- (iii) Accounting terminology - Glossary
- (iv) Capital and revenue expenditure, Capital and revenue receipts, Contingent assets and contingent liabilities
- (v) Accounting Policies
- (vi) Accounting as a Measurement Discipline – Valuation Principles, Accounting Estimates.
- (vii) Accounting Standards – Concepts and Objectives.
- (viii) Indian Accounting Standards – Concepts and Objectives.

2. Accounting Process

- (i) Books of Accounts
- (ii) Preparation of Trial Balance
- (iii) Rectification of Errors.

3. Bank Reconciliation Statement

Introduction, reasons, preparation of bank reconciliation statement.

4. Inventories

Cost of inventory, Net realizable value, Basis and technique of inventory valuation and record keeping.

5. Concept and Accounting of Depreciation

Concepts, Methods of computation and accounting treatment of depreciation, Change in depreciation methods.

6. Accounting for Special Transactions

(i) Bills of exchange and promissory notes

Meaning of Bills of Exchange and Promissory Notes and their Accounting Treatment; Accommodation bills.

(ii) Sale of goods on approval or return basis

Meaning of goods sent on approval or return basis and accounting treatment.

(iii) Consignments

Meaning and Features of consignment business, Difference between sale and consignment, Accounting treatments for consignment transactions and events in the books of consignor and consignee.

(iv) Joint Ventures for non-corporate entities

Meaning and Features of joint venture transactions, Distinction between joint venture and partnership, Methods of maintaining joint venture accounts.

(v) Royalty accounts

Meaning of the term "Royalty" and Accounting Treatment thereof.

(vi) Average due Date

Meaning, Calculation of average due date in various situations.

(vii) Account Current

Meaning of Account Current, Methods of preparing Account Current.

7. Final Accounts of Sole Proprietors

Elements of financial statements, Closing Adjustment Entries, Trading Account, Profit and Loss Account and Balance Sheet of Manufacturing and Non-manufacturing entities.

8. Partnership Accounts

(i) Final Accounts of Partnership Firms

(ii) Admission, Retirement and Death of a Partner including Treatment of Goodwill

(iii) Introduction to LLPs and Distinction of LLPs from Partnership.

9. Financial Statements of Not-for-Profit Organizations

Significance of Receipt and Payment Account, Income and Expenditure Account and Balance Sheet, Difference between Profit and Loss Account and Income and Expenditure Account. Preparation of Receipt and Payment Account, Income and Expenditure Account and Balance Sheet.

10. Introduction to Company Accounts

- (i) Definition of shares and debentures
- (ii) Issue of shares and debentures, forfeiture of shares, re-issue of forfeited shares
- (iii) Statement of Profit and Loss and Balance Sheet as per Schedule III to the Companies Act, 2013.

11. Basic Accounting Ratios (profitability, solvency, liquidity and turnover)

PAPER – 2 : BUSINESS LAWS AND BUSINESS CORRESPONDENCE AND REPORTING

(One paper – Three hours – 100 Marks)

SECTION A : BUSINESS LAWS (60 MARKS)

Objective:

To develop an understanding of significant provisions of select business laws and acquire the ability to address basic application-oriented issues.

Contents

1. **The Indian Contract Act, 1872:** An overview of Sections 1 to 75 covering the general nature of contract, consideration, other essential elements of a valid contract, performance of contract, breach of contract, Contingent and Quasi Contract.
2. **The Sale of Goods Act, 1930:** Formation of the contract of sale, Conditions and Warranties, Transfer of ownership and delivery of goods, Unpaid seller and his rights.
3. **The Indian Partnership Act, 1932:** General Nature of Partnership, Rights and duties of partners, Reconstitution of firms, Registration and dissolution of a firm.
4. **The Limited Liability Partnership Act, 2008:** Introduction- covering nature and scope, Essential features, characteristics of LLP, Incorporation and differences with other forms of organizations.
5. **The Companies Act, 2013 :** Essential features of company, corporate veil theory, Classes of companies, types of share capital, Incorporation of company, Memorandum of Association, Articles of Association, Doctrine of Indoor Management

Note: If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from dates notified by the Institute.

SECTION B : BUSINESS CORRESPONDENCE AND REPORTING (MARKS 40)

Objective:

To acquire and develop good communication skills requisite for business correspondence and reporting.

Part – I: Communication

1. Communication

- (i) Types
- (ii) Directions
- (iii) Network
- (iv) Process
- (v) Problems
- (vi) Barriers
- (vii) Types of Communication
 - a) Interpersonal Skills
 - b) Listening Skills
 - c) Emotional Intelligence
- (viii) Sample Questions with Answers
- (ix) Exercises.

Part – II : Sentence Types and Word Power

2. Sentence Types (Direct-Indirect, Active -Passive Speech)

- (i) Sentence: Definition
- (ii) Classification of sentence based on connotation
 - a) Assertive sentences
 - b) Interrogative sentences
 - c) Imperative sentences
 - d) Exclamatory sentences
 - e) Optative sentences
- (iii) Sentence Structure
 - a) Subject and Predicate
 - b) Verb (Auxiliary, Finite)
 - c) Object (Direct, Indirect)

- d) Complement
- e) Adjunct or Adverbial
- f) Clause Structure
- g) Types of Clauses
 - Independent clauses
 - Dependent clauses
 - Relative or noun clauses
- (iv) Types of sentences
 - a) Simple sentence
 - b) Compound sentence
 - c) Complex sentence
 - d) Compound-complex sentence
- (v) Direct-Indirect Speech
 - a) Introduction
 - b) Procedure for converting Direct speech into Indirect speech
 - Rules for converting Direct speech into Indirect speech
 - Change in pronouns
 - Change in tenses
 - Change in modals
 - Changes for Imperative sentences
 - Changes for Exclamatory sentences
 - Changes for Interrogative sentences
 - Punctuation in Direct speech
 - c) Rules for converting Indirect speech into Direct speech
- (vi) Active Passive Voice: Introduction
 - a) Usage : Active vs. passive voice
 - b) Reasons for using Passive voice

- c) Changing Passive voice to Active voice
 - d) Changing Active voice to Passive voice
 - e) Suggestions for using Active and Passive voice
- (vii) Verbs Voice Active or passive
- (viii) Exercises
- 3. Vocabulary Root Words, Synonyms, Antonyms, Prefixes, Suffixes), Phrasal verbs, Collocations and Idioms.**
- (i) Introduction
 - (ii) Significance of improving vocabulary
 - (iii) How to improve vocabulary
 - (iv) Root words
 - (v) Synonyms and Antonyms
 - (vi) Words formed by using Prefixes
 - (vii) Words formed by using Suffixes
 - (viii) Phrasal verbs
 - (ix) Collocations
 - (x) Idioms
 - (xi) Exercises

Part – III : Comprehension Passages and Note Making

- 4. Comprehension Passages**
- (i) Introduction to Comprehension Passages
 - (ii) Points to ponder
 - (iii) Sample Passages with answers
 - (iv) Exercises
- 5. Note Making**
- (i) Introduction to Note Making
 - (ii) Significance of Note Making
 - (iii) Detailed Format Heading(Title)

- a) Sub-heading
 - b) Indentation
 - c) Points
 - d) Use of abbreviations
 - e) Summary
 - f) Content
 - g) Expression
- (iv) Steps to Comprehend and summarize text
 - (v) Helpful Hints
 - (vi) Sample Passages with Notes
 - (vii) Exercises

Part – IV : Developing Writing Skills

6. Introduction to Basic Writing

- (i) Introduction
- (ii) Process of writing
- (iii) Styles of Writing
- (iv) Significance of writing skills for students
- (v) Writing Conventions
- (vi) Characteristics of good writing
- (vii) Do's and Don'ts of good writing

7. Précis Writing

- (i) What is Précis writing?
- (ii) Features of good Précis writing
- (iii) How to write a Précis
- (iv) Do's and Don'ts of Précis writing
- (v) Examples (Passages with Précis)
- (vi) Exercises

8. Article Writing

- (i) What is an Article?
- (ii) Essential elements of Article Writing
- (iii) Detailed Format
 - a) Title
 - b) By- Writer's Name
 - c) Body
 - Introduction
 - Main Idea-Support
 - Conclusion
 - d) Sample Articles
 - e) Exercises

9. Report Writing

- (i) What is a Report?
- (ii) Essential elements of Report Writing
- (iii) Kinds of Reports
 - a) Reporting for a Meeting/Assembly
 - b) Reporting for a Newspaper
 - c) Reporting for a Magazine
- (iv) Detailed Format for (iii) above
 - a) Title
 - b) By- Writer's Name
 - c) Place, Date
 - d) Body
 - What
 - When
 - Where
 - Who
 - How
 - e) Tips and Conventions of Report Writing

- f) Sample Reports
- g) Exercises

10. Writing Formal Letters

- (i) Types of Letters
 - a) Circulars
 - b) Complaints
 - c) Memos
 - d) Promotional Content
 - e) Sales
 - f) Recovery/Remittances
- (ii) Detailed format for (i) above
 - a) Date
 - b) Salutation
 - c) Subject
 - d) Body of the letter
 - First paragraph
 - Second paragraph
 - e) Complimentary Closure
- (iii) Points to Remember
- (iv) Sample Letters
- (v) Exercises

11. Writing Formal Mails

- (i) How to Write a Formal Mail?
- (ii) Writing Effective Mails
- (iii) Essential elements of Mails
 - a) Subject line
 - b) Formal Greetings
 - c) Target Audience(Reader)
 - d) Clarity and Conciseness

- e) Formal Closing
- f) Proof read
- g) Feedback
- (iv) Tips and Conventions of Mails
- (v) Sample Mails
- (vi) Exercises

12. Resume Writing

- (i) Essential Elements of Resume
 - a) Name and contact details
 - b) Objective Summary
 - c) Academic Qualifications and Achievements
 - d) Co-curricular Achievements
 - e) Training Programs attended/completed
 - f) Strengths
 - g) Interests/Hobbies
 - h) Declaration
 - i) Signature
- (ii) Resume Writing Tips and Conventions
- (iii) Sample Resumes
- (iv) Exercises

13. Meetings

- (i) Notice
- (ii) Agenda
- (iii) Drafting minutes
- (iv) Action Taken Report

PAPER –3: BUSINESS MATHEMATICS, LOGICAL REASONING AND STATISTICS

(One paper – Three hours – 100 Marks)

Objectives:

- (a) To develop an understanding of the basic mathematical and statistical tools and their application in Business, Finance and Economics.
- (b) To develop logical reasoning skills and apply the same in simple problem solving.

Contents:

Part – A. Business Mathematics (40 Marks)

1. Ratio and Proportion, Indices and Logarithms

Ratio and Proportion (Business Applications related to Ration and Proportion) Laws of Indices, Exponents and Logarithms and Anti Logarithms.

2. Equations and Matrices

- (i) Equations: Simultaneous linear equations up to three variables, Quadratic and Cubic equations in one variable.
- (ii) Matrices: Algebra of Matrices, Inverse of a Matrix and determinants, solving system of equations by Cramer's Rule (involving not more than three variables).

3. Linear Inequalities with Objective Functions and Optimization w.r.t. objective function.

4. Time value of Money

- (i) Simple Interest
- (ii) Compound interest
- (iii) Depreciation
- (iv) Effective Rate of Interest
- (v) Present Value
- (vi) Net Present Value
- (vii) Future Value
- (viii) Perpetuity
- (ix) Annuities

- (x) Sinking Funds
- (xi) Valuation of Bonds
- (xii) Calculating of EMI
- (xiii) Calculations of Returns:
 - a) Nominal Rate of Return
 - b) Effective Rate of Return
 - c) Compound Annual growth rate (CAGR)

5. Permutations and Combinations

Basic concepts of Permutations and Combinations: Introduction, the Factorial, Permutations, results, Circular Permutations, Permutations with restrictions, Combinations with standard results.

6. Sequence and Series

Introduction Sequences, Series, Arithmetic and Geometric progression, Relationship between AM and GM and Sum of n terms of special series

7. Sets, Relations and Functions

8. Basic applications of Differential and Integral calculus (Excluding the trigonometric applications), Applications of Marginal Cost and Marginal Revenue etc.,

Part – B: Logical Reasoning (20 Marks)

1. Number series, Coding and Decoding and odd man out.
2. Direction Tests
3. Seating Arrangements
4. Blood Relations
5. Syllogism

Part – C: Statistics (40 Marks)

1. Statistical description of Data

Statistical Representation of Data, Diagrammatic representation of data, Frequency distribution, Graphical representation of Frequency Distribution – Histogram, Frequency Polygon, Ogive, Pie-chart.

2. Measures of Central tendency and Dispersion

Measures of Central Tendency and Dispersion: Mean Median, Mode, Mean Deviation, Quartiles and Quartile Deviation, Standard Deviation, Co-efficient of Variation, Coefficient of Quartile Deviation.

3. Probability

Probability: Independent and dependent events; mutually exclusive events. Total and Compound Probability and Mathematical Expectation.

4. Theoretical Distributions

Theoretical Distributions: Binomial Distribution, Poisson distribution – Basic application and Normal Distribution – Basic applications.

5. Correlation and Regression

Correlation and Regression: Scatter diagram, Karl Pearson's Coefficient of Correlation Rank Correlation, Probable Error and Probable limits. Regression lines, Regression equations, Regression coefficients.

6. Index Numbers and Time Series

- (i) **Index Numbers:** Uses of Index Numbers, Problems involved in construction of Index Numbers, Methods of construction of Index Numbers.
- (ii) **Time Series Analysis** – Components of Time Series and Calculation of Trend by Moving Average Method.

PAPER – 4 : BUSINESS ECONOMICS AND BUSINESS AND COMMERCIAL KNOWLEDGE

(One paper – Three hours – 100 Marks)

PART I : BUSINESS ECONOMICS (60 Marks)

Objective:

To develop an understanding of the concepts and theories in Business Economics and apply such concepts and theories in simple problem solving.

1. Introduction to Business Economics

- (i) Meaning and scope of Business Economics
- (ii) Basic Problems of an Economy and Role of Price Mechanism.

2. Theory of Demand and Supply

- (i) Meaning and determinants of demand, Law of demand and Elasticity of demand — Price, income and cross elasticity
- (ii) Theory of consumer's behaviour – Marshallian approach and Indifference curve approach
- (iii) Meaning and determinants of supply, Law of supply and Elasticity of supply.
- (iv) Demand Forecasting

3. Theory of Production and Cost

- (i) Meaning and Factors of production
- (ii) Laws of Production – The Law of Variable proportions and Laws of Returns to Scale, Producer's equilibrium
- (iii) Concepts of Costs — Short-run and long-run costs, Average and marginal costs, Total, fixed and variable costs.

4. Price Determination in Different Markets

- (i) Various forms of markets – Perfect Competition, Monopoly, Monopolistic Competition and Oligopoly
- (ii) Price determination in these markets.

5. Business Cycles

- (i) Meaning
- (ii) Phases
- (iii) Features.
- (iv) Causes behind these Cycles.

PART – II : BUSINESS AND COMMERCIAL KNOWLEDGE (40 MARKS)

Objective:

To develop an understanding of common business and commercial concepts and to keep abreast with developments in the business and commercial world.

Contents

1. Introduction to Business

Nature of Business, Profession and Employment. Objectives of Business. Economic and Non-Economic Activities, Forms of Business Organizations.

2. Business Environment

Micro and Macro Environment, Elements of Micro Environment – Consumers/Customers, Competitors, Organization, Market, suppliers, Intermediaries, Elements of Macro Environment – Demographic, Economic, Political-legal, Socio-cultural, Technological, Global Environment.

3. Business organizations

Overview of leading Indian and Global Companies.

4. Government Policies for Business Growth

Policies creating conducive business environment such as Liberalization, Privatization, Foreign Direct Investment.

5. Organizations facilitating Business

- (i) Indian regulatory bodies - SEBI, RBI, IRDA, CCI
- (ii) Indian Development Banks – IFCI, SIDBI, EXIM Bank, NABARD

6. Common Business Terminologies

- (i) Finance Terminologies.
- (ii) Marketing Terminologies.
- (iii) Stock & Commodity Markets Terminologies.
- (iv) Banking Terminologies.
- (v) Other Business Terminologies.

Note: *Students are expected to read at least one financial newspaper and one business magazine on a regular basis. They may also watch a business channel to remain updated about the developments related to commercial world.*