Segment One
Text: Naga-Mandala; By- Girish Karnad

Segment Two

1. Report Writing
   a. **Press Reports**
      i. Reports on Natural Calamities
      ii. Reports on Accidents
      iii. Reports on Speeches related to topics of academic and commercial interests
   b. **Business Reports**
      i. Individual Reports
      ii. Committee Reports

2. Questionnaire
   a. Launching of a new product
   b. Review of an existing product
   c. Socio economic analysis
   d. Questionnaire regarding habits
   e. Questionnaire regarding academic and educational survey
   OR

2. Essays

3. Import Export Correspondence
   a. Inquiry sent to an overseas manufacturer
   b. Reply to the above letter
   c. Inquiry from a prospective importer from abroad to an Indian manufacturer.
   d. Reply to the above letter
   e. Letter requesting the bank to open an irrevocable letter of credit
   f. The importer’s intimation to an exporter of the opening of an irrevocable credit in his favour
   g. The exporter’s intimation regarding the shipment
4. Correspondence with Insurance Companies
   a. Letter soliciting information about various policies
   b. Buying a policy
   c. A letter requesting information for loan against an existing policy
   d. A letter to the company asking for full benefits due to the death of the policy holder by the kin
   e. A letter claiming medical re-imbursement on the policy
   f. Surrendering of a policy

5. Stock Market Reports (Comprehension)

   T.Y.B.Com
   Structure of Question Paper with Allocation of Marks

   1. Long Question (Text) 10
   2. Short Notes (Any Two) (Text) 5+5=10
   3. Press Report (Any One out of Two) 8
   4. Business Report (Any One out of Two) 8
   5. Questionnaire (Any One out of Two) 8
      OR
   5. Essay (Any One out of Two) 8
   6. Letter of Import Export Correspondence (Any One out of Two) 8
   7. Letter of Insurance Correspondence (Any One out of Two) 8
   8. Stock Exchange Report (Comprehension) 10
Objective: The objective of this course is to help the students understand the basics of some areas of management like Financial Management, Marketing Management, Personnel Management and E-Commerce.

1. Financial Management: 35%
   (A) Financial Management:
       Meaning, Importance, Finance Function - Traditional and Modern Concept - Inter-relationship between Finance Function and other Functional Areas of management - Role Financial Manager.
   (B) Capitalisation:
       Meaning, Causes, Effects of Under-capitalisation and Over-capitalisation - Watered Stock
   (C) Capital Structure:
   (D) Cost of Capital:
       Meaning and Importance - Computation of cost of capital for debentures or bonds, equity and preference capital and Retained earnings.
   (E) Dividend Policies - Determinants Stability - Forms - Restrictions

2. Marketing Management: 35%
   (A) Branding:
       Types of branding and important decisions in branding.
   (B) Pricing:
       Objectives - Cost oriented, Demand oriented and Competition-oriented pricing.
   (C) Advertising:
       Meanings, importance, advantages and disadvantages - Difference between Publicity and Advertisement.
       (General awareness of various types of advertising media)
   (D) Sales Promotion:
       Types, Tools and Objectives of sales promotion.
   (E) Personal Selling:
       Travelling salesman and at sales counter, qualities of an effective salesman and Public Relations.
   (F) Physical Distribution:
       Retailing and Whole-selling - Their nature, importance - Marketing decisions for it.
   (G) Marketing Research:
       Meaning - Importance - Limitations.
Objective : Objective of this syllabus is to expose the final year students of commerce faculty to (a) the working of monetary and financial systems in India, (b) working of international monetary institutions and (c) centre-state financial relations in India.

1. Total Marks : 100
2. Equal weightage to all units
3. Four units to be covered in each academic term

Unit-1 : Money : Functions; Alternative measures of money supply in India-their different components-Meaning and changing relative importance of each-High powered money-meaning and uses-Sources of changes in high powered money.

Unit-2 : Finance : Role of finance in an ana economy-Kinds of finance-Financial system; Components-Financial intermediaries-Markets and instruments and their functions.

Unit-3 : Indian Banking System : Definition of bank-Commercial banks-importance and functions; Structure of Commercial banking system in India; Balance sheet of a Bank; Meaning and importance of main liabilities and assets.

Unit-4 : The Reserve Bank of India : Functions; Instruments of monetary and credit control; Main features of monetary policy since independence.

Unit-5 : Interest Rates : Various rates in India (viz. bond rate, bill rate, deposit rates etc); Administered rates and market-determined rates; Sources of difference in rates of interest; Behavior of average level of interest rate since 1951-impact of inflation and inflationary expectations.

Unit-6 : Fiscal policies of Govt of India- Taxation, Expenditure and Borrowing Policies-Revenue deficit and Fiscal deficit in the budgets of the Central Government since the introduction of economic reforms in India.

Unit-7 : Centre state financial relations in India-Recommendations and implications of last two Finance commissions.

Unit-8 : International Monetary Fund : Its functioning during the last 25 Years- World Bank and its working during the last 25 years.

Suggested Readings : 
1. Gupta S. B. : Monetry Planning of India; S.Chand, New Delhi.
3. Reserve Bank of India : Functions and Working
5. Agarwal A. N. : Indian Economy.
1. The Indian Contract Act, 1872.
3. The Indian Partnership Act, 1932.
4. The Negotiable Instruments Act, 1881. Chapter I to IV (Section 1 to 60) and Sec. 118.
6. The Trade Union Act, 1926. Provisions relating to registration of trade unions and rights and liabilities of such trade unions.
7. The Industrial Disputes Act, 1947:  
   (a) Industrial Disputes  
   (b) Provisions relating to settlement of disputes by conciliation  
   (c) Provisions relating to reference to Industrial disputes to Courts of Tribunal for Adjudication.  
   (d) Powers of the courts and tribunals on reference.
8. The Consumer Protection Act, 1986 : Salient features; Definition of Consumer; Grievance Redressal Machinery.

Allocation of marks:

1. Indian Contract Act, 1872  
   The Sale of Goods Act, 1930  
   The Indian Partnership Act, 1932  
   55%
2. The Negotiable Instruments Act, 1881  
   10%
3. The Companies Act, 1956  
   15%
4. The Trade Unions Act, 1926  
   100%
BUSINESS STATISTICS (Compulsory Paper)
(To be Effective from June 2008)

1 1.1 **Co-ordinate Geometry**

Definition of Slope, Intercept, Conditions for parallel and perpendicular lines.
Distance between two points.
Equations of a straight line in the following forms

(i) \( y = mx + c \)  
(ii) \( y - y_1 = m(x - x_1) \)

(iii) \( \frac{y_1 - y_2}{y_1 - y_2} = \frac{x_1 - x_1}{x_1 - x_2} \)  
(iv) \( Ax + By + c = 0 \)  
(v) \( \frac{x}{a} + \frac{y}{b} = 1 \)

Simple illustrative examples

1.2 **Matrix Algebra**

Definition of a matrix, Different types of matrices, properties of matrices,
Determinant of a square matrix, Inverse matrix, solution of simultaneous linear
equations by using inverse matrix (upto 3 variables only), Business applications.

2 2.0 %

2.1 **Correlation [For two variables]**

Concept of correlation, correlation coefficient properties, Scatter diagram, Karl
Pearson’s and Spearman’s rank correlation coefficient, Probable Error,
Coefficient of determination and its interpretation, Correlation Coefficient for
Bi-variate table- Intra class correlation coefficient.

2.2 **Regression [For two variables]**

Concept of regression - Two lines of regression - Properties of regression
coefficients - Forecasting on the basis of regression equation - Regression
equation pertaining to linear model in the form \( Y = \alpha + \beta x + U \) and relevant
properties.

2.3 **Association of Attributes** :

Meaning and criteria of independence and association of attributes, Association
in 2 x 2 contingency table only, Method of expected frequency, Proportion
method and Yule’s Coefficient of association, condition for consistency.
3.1 **Time Series Analysis**

Components of a time series – Determination of trend by graphical, moving average and least squares methods – To separate seasonal component by using sales forecasts and seasonal variation by moving average method with examples.

3.2 **Business Forecasting Methods**

Forecasting concept, types and importance – General approach to forecasting, Methods of forecasting, Forecasting demand, Industry verses company sales forecasts. Factors affecting company sales – Graphical method - Linear and parabolic trends - Exponential smoothing method.

4.1 **Interpolation – Extrapolation**


4.2 **Demographic Methods**

Meaning and scope of Demography - Crude, standard and Age specific rates. Mortality rates pertaining to (i) CDR (ii) SDR (iii) IMR.

Birth rates pertaining to (i) CBR (ii) SBR (iii) Age specific BR 

Fertility rates pertaining to (i) CBR (ii) GFR (iii) SFR (iv) TFR

5.1 **Arithmetic and Geometric Progression**

Introduction of arithmetic progression and geometric progression, sum of series in arithmetic progression, arithmetic mean, geometric mean, sum of series in geometric progression.

5.2 **Linear Programming**

Definition and Formulation of L.P.P. – solution by graphical method upto two variable – applications and uses of L.P.P.
Reference Books:


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GUJARAT UNIVERSITY
APPLICABLE FROM JUNE 2008
ADVANCED ACCOUNTING AND AUDITING – IV at T. Y. B. Com.
(COST & MANAGEMENT ACCOUNTING)

(1) **Process Costing** : Meaning, Definition and Features; Job Costing vs. Process Costing; Process losses and gains; Accounting of waste, scrap, defectives and spoilage; Valuation of Work–in–Progress (Equivalent Production); Meaning of Joint Products and By-Products; Objectives for allocation of joint costs and Methods of Accounting for Joint Products; Methods of Accounting for By-Products; Inter process profit and transfer price.

(2) **Marginal Costing**: Break-Even and CVP Analysis: Meaning and definition of Marginal Cost, Marginal Costing & Contribution; Marginal Costing vs. Absorption Costing; Features of Marginal Costing; Situations where Marginal Costing Technique is useful in managerial decision making; Key or Limiting Factors Analysis (analysis when more than one limiting factors exist is not expected); Optimizing Product Mix.

**Methods of Determination of Break–even Point**: Graphical Method; Traditional Break–even Chart and Contribution Break-even Chart; Algebraic Method. Limitations of C/S Ratio, Margin of Safety, Angle of incidence and assumptions of Break-even Analysis; **Cost-Volume –Profit Analysis**: Simple problems on its application and its limitations.

(3) Meaning of the following terms relating to ‘Decision- making process’ (only short objective type theoretical questions are expected): Relevant Cost, Incremental cost, Sunk Cost, Opportunity Cost, Avoidable/unavoidable Costs, Imputed or Notional Cost, Discretionary Costs, Common Costs, Traceable Costs, Joint Costs and Step Costs.

(4) **Budgets & Budgetary Control**: Introduction; Meaning of Budget and Budgetary Control; Types of Budgets; **Preparation of following Functional Budgets only**: Sales Budget, Selling and Distribution costs Budget, Production Budget, Materials Budget, Labour Cost Budget, Factory Overheads Budget, Administrative Overheads Budget and Cash Budget, Flexible Budget. (R & D Budget, projected Profit & Loss A/c and Balance Sheet are not included).

(5) **Standard Costing and Variance Analysis**: Direct Material Cost variances, Direct Labour Cost variances, Variable Overhead cost variances and Fixed Overhead cost variances (Recovery Rates based on labour time only) – Problems relating to Reconciliation, interpretation, Investigation and missing data are not expected.

(6) **Capital Budgeting**: Following methods are covered.

1) Accounting rate of return
2) Payback Method
3) Net Present Value
4) Profitability Index

(P.V. factors and Annuity factors must be provided in the question. Advanced level problems are not expected)

(7) **Leverages**: Calculation of operating, Financial and combined leverages.

**NOTES:**

(a) A multiple choice question (divided into 5 sub-questions) carrying 20% marks shall be asked, requiring the students to select correct option supported by necessary workings/explanations.

(b) Questions from Para (1) & (2) shall not be asked in option of Questions from Para (4) to (7).

(c) Practical problems (in addition to Multiple Choice Question) carrying not less than 35% marks shall be asked from the topics covered in Para (1) & (2) and Practical problems (in addition to Multiple Choice Question ) carrying not less than 35% marks shall be asked from the topics covered in Para (4) to (7).
ADVANCED ACCOUNTING AND AUDITING – V at T. Y. B. Com.
(Management Accounting & Auditing)

Section- I Management Accounting [50%]

(1) Introduction

(2) Analysis and Interpretation of Financial Statements:
Concept, Nature, Objectives and Limitations of Financial Statements; Analysis and Interpretation of Financial Statements; Types of Analysis and Interpretation; Methods of Analysis and Interpretation; Comparative Financial Statements, Common Size Statements, Trend Analysis and Funds Flow Analysis (in Theory only).

(3) Accounting Ratios and its interpretation (Including concept of EPS as per AS-20) :
Definition; Mode of expression and Interpretation of Ratios; Classification of Ratios; Practical problems on the following Ratios only: Current Ratio; Liquid Ratio; Turnover Ratios relating to Stock, Debtors, Creditors, Net Assets, Fixed Assets and Working Capital; Gross Profit Ratio, Net Profit Ratio, Operating Ratio, Expense Ratios, Rate of Return on Investment, Return on Shareholders’ Funds, Earning per Share and Price Earning Ratio; Leverage Ratio (Trading on Equity or Capital Gearing); Advantages and Limitations of Ratio Analysis. Note: Preparation of Financial Statements from given ratios is not expected; Emphasis is to be given on interpretation.

(4) Cash Flow Statement: Concept and Significance of Funds Flow Statement; Sources and Applications of Cash; Cash from Operation; Income & Expenditure Approach and Net Profit Approach; Differences between Fund Flow Statement and Cash Flow Statement; Preparation of Cash Flow Statement as per AS-3.

(5) Amalgamation & Absorption (excluding inter–company holding) of Companies (as per AS-14) (Including Merger)

Section – II Auditing [50%]

(a) Audit of Share Capital & Debentures

(1) Issue of shares: at par, at premium, at discount; Redemption of Redeemable Preference Shares; Issue of Right Shares. Buy back of Shares
(2) Issue of shares for consideration other than cash; Bonus shares; Issue of shares on conversion of debentures/bonds:
(3) Forfeiture of shares & surrender of shares.
(4) Share Transfer Audit
(5) Statutory Audit
(6) Audit of redemption of debentures.


(c) Divisible Profits: Meaning and Importance; Legal provisions under the Companies Act and principles enunciated under some famous legal cases; Legal provisions for depreciation. Auditor’s duties regarding distribution of dividend.
(d) **Investigations:**

(i) Meaning and need; Difference between Audit and Investigation.

(ii) Investigation in the following cases:

1. For purchase of business
2. For granting of a loan
3. In case of declining profits
4. In case of suspected frauds

(e) **Audit Programme of:**

(1) Hospital run by a Charitable Trust
(2) Educational Institutions
(3) Branch of a Commercial Bank
(4) Manufacturing Companies

**NOTES:**

(1) Both the Sections are independent sections and under any method of paper–setting, Questions from Section I shall not be set in option of Questions from Section II.

(2) Practical problems carrying not less than 80% marks of 50% marks allotted to Section I shall be asked from the topics covered in Section I.

(3) A multiple choice question (divided into 5 sub-questions) carrying 30% of 50% marks allotted to Section II shall be asked from the syllabus prescribed in Section II, requiring the students to select correct option supported by necessary workings/explanations.
GUJARAT UNIVERSITY  
Syllabus of T.Y. B.Com.  
ADVANCED STATISTICS PAPER - IV  
(To be Effective from June 2008)

1  **Compound Interest and Annuities**  
Different types of interest rates, concept of present value and amount of a sum, Types of annuities, present value and amount of an annuity including the case of continuous compounding. Valuation of simple loans and debentures, problems relating to sinking funds.

2  20 %  
2.1 **Correlation and Regression**  
(For two variables)  
Concept of correlation, correlation coefficient properties (with proof). Karl Pearson’s correlation coefficient, Spearman rank correlation coefficient (with proof). Concept of regression, Two lines of regression (with proof). Properties of regression coefficient (with proof)

2.2 **Multiple and Partial Correlation and Regression**  
Definition and concept of Partial and Multiple Correlation (three variables). Concept Multiple Regression equations. Numerical examples.

2.3 **Non-linear equation**  
Fitting of a exponential curves like  
\( (i) \quad y = ab^x \)  
\( (ii) \quad y = ae^{bx} \)  
\( (iii) \quad y = ax^b \) etc

3  20 %  
3.1 **Analysis of Variance**  
ANOVA Techniques for one way and two way classifications with simple illustrations.

3.2 **Elements of Designs of Experiments**  
Concept of randomization and local control, Complete Randomized Design, Randomized block design, Latin Square design. Analysis of CRD, RBD & LSD when one observation is missing. Efficiency of RBD over CRD, LSD over CRD and RBD.
4  **Non - Parametric test**


5  **20 %**

5.1 **Double Sampling Plan**


Formulas of AOQ, ATI, ASN of D.S.P. and their numerical examples. Comparison of S.S.P. and D.S.P.

5.2 **Total Quality Management**

Concept of T.Q.M., Demiy’s 14 points for Management, Introduction to JIT and Quality Circle.
1 Decision Theory  
Meaning of Decision Theory, Methods of Decision Theory, Decision under uncertainty- Maxi-max, Maximin, Hourwich, Laplace, Mini-max regret. 2 Decision under certainty – EMV, EOL, EVPI.

2 Demand Analysis  
Demand and supply function, Market equilibrium, effect of taxation and subsidy, marginal and average, revenue & cost function, Elasticity of demand & supply properties and relationship. Utility, total utility, marginal utility – Lagrangian multiplier method for maximizing utility.

2.2 Monopoly & Duopoly Problems  
Discussion of monopoly problems-classical duopoly problems (idea only). Simple examples of monopoly under perfect competition. Difference between monopoly & duopoly problems.

3 Inventory Control  
Inventory systems, costs associated with inventory system classical EOQ model with its derivation, Economic lot size model under finite production rate. Lot size model when shortages are allowed under back-order policy. EOQ for price break models. Advantages, limitations and uses of inventory.

4 Linear Programming Problems  
5.1 Transportation Problem
Meaning of transportation problem (T.P.), mathematical form of transportation problem. Methods for obtaining initial Transportation Problem - Least cost method and Vogel’s approximation method, For balanced and unbalanced Transportation Problem MODI method and its application for maximization Transportation Problem, minimization Transportation Problem, multiple solution to Transportation Problem, Degeneracy in Transportation Problem.

5.2 Replacement Problem
Meaning of Replacement Problem, Methods-items that deteriorates with time and money value changes with time and items that fails completely all of a sudden-individual replacement and group replacement policy.