

Maharashtra Public Service Commission**Civil Services Exam – Mains Optional****Commerce & Accountancy****(Code No : 303)****Paper – I
Accounting & Finance****Standard :** Degree**Total Marks :** 200**Nature of Paper :** Conventional Type**Duration :** 3 Hours

- Note :**
- 1) Answers to this paper must be written either in English or in Marathi.
 - 2) This paper will test the candidate's ability to comprehend, to analyse, to interpret, to criticise and to appraise subject matter related to the topics/sub topics mentioned below.
 - 3) It is expected from candidates to study the latest and recent developments and happenings pertaining to the topics/sub topics mentioned below.

**Section - A (Marks : 50)
Accounting****1) Financial Accounting :**

- .01) Accounting as a financial information system
- .02) Accounting Standards in India and international accounting standards (only outlines)
- .03) Final Accounts.
- .04) Depreciation accounting, Depreciation policies as per accounting standard.
- .05) Accounts of non-trading institution.
- .06) Partnership accounts.
- .07) Advanced problems of company accounts.
- .08) Amalgamation] absorption and reconstruction of companies.
- .09) Valuation of shares and goodwill.
- .10) Consolidated books of holding company with one subsidiary only.

2) Cost Accounting :

- .01) Concept, Nature and Scope of cost accounting.
- .02) Material, labor and overheads as elements of cost.
- .03) Job costing and Contract costing
- .04) Process costing
- .05) Marginal Costing; including Cost-volume-profit relationship.
- .06) Cost control and cost reduction
- .07) Reconciliation of cost and financial accounts.
- .08) Budgetary control, flexible budgets.
- .09) Standard costing and variance analysis.
- .10) Responsibility accounting, investment, profit and cost centres.

Section – B (Marks : 50)**3) Taxation :****A) Income Tax :**

- .01) Definitions
- .02) Basis of charge.
- .03) Aggregation of income and set off/carry forward of losses.
- .04) Incomes which do not form part of total income.
- .05) Tax management - tax planning, tax deduction at sources, advance payment of tax.

B) Other Taxes : Introductory concepts - Sales Tax, VAT, State Excise, Customs and Excise Duty, Service Tax

4) Auditing :

- .01) Concept, objectives, principles and planning of audit including investigations.
- .02) Internal check system.
- .03) Vouching, Valuation and Verification of transactions, assets and liabilities.
- .04) Audit of limited companies; appointment, removal, powers, duties and liabilities of company auditor.
- .05) Auditor's report.
- .06) Special points in the audit of different organisations like clubs, hospitals, colleges, charitable institutes.
- .07) Social Auditing
- .08) Audit under computerised environment

Section - C (Marks : 50)

5) Business Finance :

- .01) Finance Function-Nature, Scope and Objectives of Financial Management.
- .02) Financial Analysis as a diagnostic tool.
- .03) Management of Working Capital and its Components-Forecasting of working capital, needs, inventory, debtors, cash and credit management.
- .04) Investment Decisions-Nature and Scope of Capital Budgeting- Capital Budgeting decisions.
- .05) Consideration of Risk and Uncertainty-Analysis of Non-financial Aspects.
- .06) Cost of Capital and its measurement.
- .07) Concepts of Valuation-Valuation of firm's Fixed Income, Securities and Common Stocks.
- .08) Dividend and Retention Policy-Residual Theory-Dividend Policy- Other Models-Actual Practices.
- .09) Capital Structure-Leverages-Significance of Leverages-Theories of Capital Structure with special reference to Modigliani and Miller approach. Planning the Capital Structure of a Company; EBIT-EPS Analysis, Cash-flow ability to service debt, Capital Structure Ratios.

Section - D (Marks : 50)

6) Financial Institutions :

- .01) Raising finance-short term and long term.
- .02) Financial Distress-Approaching BIFR, capital markets, securities markets.
- .03) Money Market- concepts scope and organisation.
- .04) Capital Market – Structure and role of capital market in India
- .05) Types of financial Institutions in India.
- .06) International financial Institutions.
- .07) Roll of SEBI
- .08) Monetary and Credit policy of Reserve Bank of India, NRI deposits. Financial services, Merchant Banking- Credit Rating Agencies

Paper - II**Regulatory Framework, Business Systems and Human Relations****Standard** : Degree**Total Marks** : 200**Nature of Paper** : Conventional Type**Duration** : 3 Hours

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Section - A (Marks : 50)**Organisational Behaviour****1) Organisation :**

- .01) Concept, goals, types of goals. Displacement, succession, expansion and multiplication of goals, Types of organisations - formal and informal, Types of Structure - line, line & staff, functional and committee form of organisation and their limitations.
- .02) Learning Organisation. Organisation theories - classical, neoclassical systems, chaos and modern theory.

2) Organisational Behaviour :

- .01) As a dynamic system; technical, social and authority system - Individual attributes affecting organisational behaviour (Ability, perception learning, attitude, personality). Status, moral and productivity, Leadership theories and styles, Team leadership, Management of conflicts, T.A.(Transactional Analysis), Life positions.
- .02) Managerial Communication-concept and techniques, multicultural organisation, management of change, stress management, Quality of work life, organisational effectiveness and control.

3) Quality Assurance and certification : ISO and other agencies, Concept of TQM Quality circles.**Section – B (Marks : 50)****Legal Regulatory Framework****4) Different forms of business organisations :**

- .01) Individual proprietorship, partnership, Joint-stock company, Joint sector organisation & co-operative society – their characteristics, merits and demerits.
- .02) Business combinations.

5) The major provisions of :

- .01) Law of contract, Indian sale of Goods Act,
- .02) Negotiable Instruments Act, Consumer Protection Act,
- .03) FEMA, Patents, Shops and Establishments Act.

Section – C (Marks : 50)**Marketing****6) Introduction to Marketing :**

- .01) Scope, importance, concept, Marketing mix, Market segmentation - concept and bases.
Product policy - types of products, different decisions - introduction of a new product, elimination of the product from product line, product development, After sale service, Product life cycle concept.

- .02) Pricing methods, factors affecting price of a product, channels of distribution - role, types, selection of channels of distribution. Promotions Management - means of sales promotion and advertising - Media - merits and demerits, misleading advertisements, ethics in advertising, Personal selling - salesmen - functions, remuneration, promotion and evaluation.

7) International Marketing :

- .01) Meaning, nature, need, environment - internal and external Foreign market, entry strategy. Product planning for foreign markets, Branding, labelling and quality issues. Pricing process, price quotations and payment terms, Trade fairs and exhibitions, Logistics decisions. Selection of foreign sales agents.
- .02) Current export policy of India - Trends, export procedure, documents, export finance, ECGC's role, export assistance and incentives, exports foreign agreements including WTO.

Section – D (Marks : 50)

Human Resources Development and Industrial Relations

8) Human Resources Development :

- .01) Importance and characteristics, Human resources planning, its limitations, problems of HRD in India, Job description, Job specifications.
- .02) Recruitment – Sources - Internal and external, selection process - interviews, employment test and their applications, Need of scientific selection policy, placement transfer and promotion.
- .03) Training and Development - Types of training, limitations of tests, principles of effective training, apprenticeship as an industrial training.
- .04) Performance appraisal – need, applications, parties involved, techniques and their limitations.

9) Industrial Relations :

- .01) Nature and scope, need for positive approach. Industrial relations in public enterprises, downsizing, brain drain.
- .02) Trade Union movement in India - an overview, its problems, compulsory recognition of trade unions. Impact of liberalisation, privatisation and globalisation on trade union movement.
- .03) Prevention and settlement of industrial disputes in India, Collective bargaining, Industrial democracy, Workers' participation in management - problems and prospects. Motivation and social security measures, Govt wage policy and legislations, Human Resources Department - Role, functions and interrelationship with other departments in promotion of HRD and industrial relations.
