

**COMMERCE—CODE NO. (4)****Part-I Accounting and Auditing**

Nature, Scope and Objectives of Accounting—Accounting as an Information System—Users of Accounting Information.

Generally Accepted Principles of Accounting—The Accounting Equation—Accrual Concept—Other concepts and Conventions Distinction between capital and revenue expenditure. Accounting Standards and their application—Accounting standards relating to fixed assets, depreciation, inventory, recognition of revenue.

Final Accounts of Sole Proprietors, Partnership Firms and Limited Companies—Statutory Provisions —Reserves, Provisions and Funds.

Final Accounts of non-profit organisation.

Accounting problems related to admission and retirement of a partner and dissolution of a firm.

Accounting for Shares and Debentures—Accounting Treatment of convertible debentures.

Analysis and Interpretation of Financial Statements Ratio analysis and interpretation. Ratios relating to short term liquidity, long term solvency and profitability—Importance of the rate of return on investment (ROI) in evaluating the overall performance of a business entity—Cash-flow statement and statement of source and Application of Funds—Societal obligations of Accounting.

**AUDITING**

—Nature, objectives and basic principles of auditing.

—Techniques of Auditing—physical verification, examination of documents and vouching direct confirmation, analytical review.

—Planning an audit, audit programmes, working paper, audit process.

—Evaluation of internal controls.

—Test checking and sampling.

—Broad outlines of company audit.

—Audit of non-corporate enterprises.

—Internal and management audit.

## Part—II Business Organisation

Distinctive features of different forms of business organisation

### **Sole Proprietor :**

Partnership—characteristics, Registration, partnership deed, rights and duties, retirement, dissolution.

Joint Stock Company—Concept, characteristics, types.

Cooperative and State ownership forms of organisations.

Types of securities and methods of their issue.

Economic functions of the capital market, stock exchanges.

Mutual Funds, Controls and regulations of capital market.

Business Combination: Control of Monopolies. Problems of modernisation—industrial enterprises. Social Responsibility of business.

Foreign trade—Procedure and financing of import and export trade. Incentives for export promotion. Financing of foreign trade.

Insurance—Principles and practice of Life, Fire, Marine and General Insurance.

### **MANAGEMENT**

Management functions—Planning—strategies, Organising—levels of authority, Staffing, Line function and staff function, Leadership, Communication, Motivation.

Directing—Principles, Strategies.

Coordination—Concept, types, methods.

Control—principles, performance standards, corrective action.

Salary and wage administration—Job evaluation.

Organisation Structure—Centralisation and decentralisation—Delegation of authority—Span of control—Management by Objectives and Management by Exception.

Management of change: Crisis Management.

Office Management—Scope and principles: systems and routines: handling of records—modern aids to Office management: office equipment and machines: Automation and Personal computers.

Impact of Organisation and Methods (O & M)

### **Company Law :**

Joint stock companies—incorporation, documents and formalities—Doctrine of indoor management and constructive notice.

Duties and powers of the board of directors of a company.

Accounts and audit of companies.

Company Secretary—role and functions—qualifications for appointment.