



## MU BAF ACC Sem 3 syllabus

### **Financial Accounting (Special Accounting Areas) - III**

#### **Elective Courses (EC)**

#### **Financial Accounting (Special Accounting Areas) - III**

##### **1. Partnership Final Accounts based on Adjustment of Admission or Retirement / Death of a Partner during the Year**

Simple final accounts questions to demonstrate the effect on final Accounts when a partner is admitted during the year or when partner Retires / dies during the year

Allocation of gross profit prior to and after admission / retirement / death when stock on the date of admission / retirement is not given and apportionment of other expenses based on time / Sales/other given basis

Ascertainment of gross profit prior to and after admission/retirement / death when stock on the date of admission / retirement is given and apportionment of other expenses based on time / Sales / other given basis

Excluding Questions where admission / retirement / death takes place in the same year

##### **2 Piecemeal Distribution of Cash**

Excess Capital Method only

Asset taken over by a partner

Treatment of past profits or past losses in the Balance sheet

Contingent liabilities / Realization expenses/amount kept aside for expenses and adjustment of actual

Treatment of secured liabilities

Treatment of preferential liabilities like Govt. dues / labour dues etc

Excluding: Insolvency of partner and Maximum Loss Method

##### **3 Amalgamation of Firms**

Realization method only

Calculation of purchase consideration

Journal/ledger accounts of old firms

Preparing Balance sheet of new firm

Adjustment of goodwill in the new firm  
Realignment of capitals in the new firm by current accounts / cash or a combination thereof  
Excluding : Common transactions between the amalgamating firms

#### **4 Conversion / Sale of a Partnership Firm into a Ltd. Company**

Realisation method only  
Calculation of New Purchase consideration, Journal / Ledger Accounts of old firms.  
Preparing Balance sheet of new company

#### **5 Accounting of Transactions of Foreign Currency**

In relation to purchase and sale of goods, services and assets and loan and credit transactions.  
Computation and treatment of exchange rate differences

### **Cost Accounting (Methods of Costing) - II**

#### **Elective Courses (EC)**

#### **Cost Accounting (Methods of Costing) - II**

##### **1 Classification of Costs and Cost Sheet**

Classification of costs, Cost of Sales, Cost Centre, Cost Unit, Profit Centre and Investment Centre  
Cost Sheet, Total Costs and Unit Costs, Different Costs for different purpose  
Problems on preparation of cost sheet & Estimated Cost sheet

##### **2 Reconciliation of cost and financial accounts**

Practical problems based on reconciliation of cost and Financial accounts

##### **3 Contract Costing**

Progress payments, Retention money, Contract accounts, Accounting for material, Accounting for Tax deducted at source by the contractee, Accounting for plant used in a contract, treatment of profit on incomplete contracts, Contract profit and Balance sheet entries. Escalation clause, practical problems

##### **4 Process Costing**

Process loss, Abnormal gains and losses, Joint products and by products.  
Excluding Equivalent units, Inter-process profit

## **Auditing (Techniques of Auditing and Audit Procedures) - II**

### **Elective Courses (EC)**

### **Auditing (Techniques of Auditing and Audit Procedures) - II**

#### **1 Vouching**

##### 1.1 Audit of Income :

Revenue from Sales and Services, Rental Income, Interest & Dividends Income, Royalties Income, Recovery of Bad debts written off, Commission Received

##### 1.2 Audit of Expenditure :

Purchases, Salaries & Wages, Rent, Insurance Premium, Telephone expense , Petty cash payment, Advertisement, Travelling Salesmen's Commission, Freight Carriage and Custom Duties

#### **2 Verification**

##### 2.1 Audit of assets :

Plant & Machinery, Furniture and fixtures, Accounts Receivable, Investments, Inventory, Goodwill, Patent Rights

##### 2.2 Audit of Liabilities:

Outstanding Expenses, Accounts Payable, Secured loans, Unsecured Loans, Contingent Liabilities, Public Deposits

#### **3 Auditing Standards**

##### 3.1 Meaning

Procedure of issuing Auditing Standards in India

Brief overview of Auditing Standards in India

Scope of SAs

Significance of the Auditing Standards

Responsibility of auditor for auditing standards

##### 3.2 Understanding of following standards

SA 200. SA210, SA230, SA240, SA 250, SA300,SA315, SA320, SA505.

#### **4 Audit of Companies**

Qualifications, Disqualifications, Appointments, Reappointment, Removal of auditors.

Special auditors  
Branch auditors  
Rights and duties of company auditors

## **Taxation - II (Direct Taxes Paper- I)**

### **Elective Courses (EC)**

## **Taxation - II (Direct Taxes Paper- I)**

### **1 Definitions u/s - 2 , Basis of Charge and Exclusions from Total Income**

Definitions u/s - 2 :

Section 2 -Assessee, Assessment Year, Assessment, Annual value, Business, Capital asset, Income, Person, Previous Year, Transfer Basis of Charge :

Section 3 - 9 - Previous Year, Residential Status, Scope Of Total Income, Deemed Income

Exclusions from Total Income:

Section 10 - restricted to, Agricultural Income, Sums Received From HUF By Member, Share of Profit from Firm, Casual & Non - Recurring Receipts, Scholarships, Income of Minor Child, Allowance to Members of Parliament and Legislative Assembly.

Note -Exemptions related to specific Heads of Income to be covered with Relevant Provisions.

### **2 Heads of Income**

Various Heads of Income

Salary Income:

Section 15 - 17, Including Section 10 relating to House Rent Allowance, Travel Concession, Special Allowance, Gratuity, Pension -

Commutation, Leave Encashment, Compensation, Voluntary Retirement, Payment from Provident Fund

Income From House Property :

Section 22 - 27, Including Section 2 - Annual Value

Profits & Gains From Business & Profession :

Vocation Section 28-32, 36, 37, 40, 40A, 43B, 44AD, 44ADA & 44AE including.: Section 2 - Business

Capital Gains :

Section 45, 48, 49, 50, 54 and 55

Income from Other Sources:

Section 56 - 59

### **3 Deductions under Chapter VI - A**

80 A- Restriction on claim in Chapter VI- A deductions

80 C - Payment of LIC/PF and other eligible investments

80CCC - Contribution to certain Pension Fund

80D - Medical Insurance Premium

80 DD- Maintenance and medical treatment of handicapped dependent

80E - Interest on Educational Loan

80 TTA- Interest on Saving Bank account

80U - Deduction in the case of totally blind or physically handicapped or mentally retarded resident person

### **4 Computation of Total Income**

Computation of Total Income of Individual and HUF with respect to above heads and deductions

## **Business Law (Business Regulatory Framework) - II**

### **Core Courses (CC)**

### **Business Law (Business Regulatory Framework) - II**

#### **1 The Indian Partnership Act - 1932**

a) Concept of Partnership

- Partnership and Company

- Test for determination of existence for partnership

- Kinds of partnership

b) Registration and effects of non-registration of Partnership

c) Rights and Duties of Partners

d) Authority and Liability of partners

e) Admission, Retirement and Expulsion of Partner

f) Dissolution of Partnership

#### **2 Limited Liability Partnership Act - 2008**

a) Nature of Limited Liability Partnership

b) Incorporation of Limited Liability Partnership

c) Extent and Limitation of Liability of Limited Liability Partnership and Partners

d) Contributions

e) Conversion Into Limited Liability Partnership

f) Winding Up and Dissolution

#### **3 Factories Act - 1948**

a) Definitions

- Section 2 (k) – Manufacturing Process,
- Section 2 (l) – Workers
- Section 2 (m)– Factory

b) Provisions pertaining to

- i. Health- Section 11 to Section 20
- ii. Safety- Section 21 to Section 41
- iii. Welfare- Section 42 to Section 49

## **Business Economics - II**

### **Core Courses (CC)**

#### **Business Economics - II**

### **1 Overview of Macroeconomics**

**Macroeconomics:** Meaning, Scope and Importance.

**Circular flow of aggregate income and expenditure** and its Importance- closed and open economy models

**The Measurement of National Product:** Meaning and Importance of National Income Accounting- conventional and Green GNP and NNP concepts -National Income and Economic Welfare.

**Trade Cycles:** Features and Phases

**Classical Macro economics :** Say's law of Markets - Features, Implications and Criticism

### **2 Money, prices and Inflation**

**Money Supply:** Determinants of Money Supply - Factors influencing Velocity of Circulation of Money

**Demand for Money :** Classical and Keynesian approaches and Keynes' liquidity preference theory of interest - Friedman's restatement of Demand for money

**Money and prices :** Quantity theory of money - Fisher's equation of exchange - Cambridge cash balance approach

**Inflation :** Demand Pull Inflation and Cost Push Inflation - Effects of Inflation- Nature of inflation in a developing economy - policy measures to curb inflation- monetary policy and inflation targeting

### **3 Introduction to Public Finance**

**Meaning and Scope of Public finance.**

**Major fiscal functions :** allocation function, distribution function & stabilization function

**Principle of Maximum Social Advantage:** Dalton and Musgrave Views - the Principle in Practice, Limitations.

# **Relation between Efficiency, Markets and Governments**

## **The concept of Public Goods and the role of Government**

### **4 Public revenue, Public Expenditure and Debt**

**Sources of Public Revenue** : tax and non-tax revenues Objectives of taxation - Canons of taxation - Types of taxes : direct and indirect - Tax Base and Rates of taxation : proportional, progressive and regressive taxation

**Shifting of tax burden:** Impact and incidence of taxation - Processes- factors influencing incidence of taxation

**Economic Effects of taxation:** on Income and Wealth, Consumption, Savings, Investments and Production.

**Redistributive and Anti - Inflationary nature of taxation** and their implications

**Public Expenditure:** Canons - classification - economic effects of public spending - on production, consumption, distribution, employment and stabilization -

Theories of Public Expenditure: Wagner's Hypothesis and Wiseman Peacock Hypothesis - Causes for Public Expenditure Growth.

**Significance of Public Expenditure:** Social security contributions- Low Income Support and Social Insurance Programmes.

**Public Debt** : Classification - Burden of Debt Finance : Internal and External- Public Debt and Fiscal Solvency

### **5 Fiscal Management and Financial Administration**

**Fiscal Policy:** Meaning, Objectives, constituents and Limitations.

**Contra cyclical Fiscal Policy and Discretionary Fiscal Policy** : Principles of Sound and Functional Finance

**Budget-** Meaning objectives and types - Structure of Union budget - Deficit concepts-Fiscal Responsibility and Budget Management Act.

**Intergovernmental Fiscal Relations** : fiscal federalism and fiscal decentralization - central-state financial relations - 14th Finance Commission recommendations

## **Information Technology in Accountancy - I**

### **Information Technology in Accountancy - I**

#### **1 Introduction to Computers**

History of Computers

Parts of Computers

Hardware: Specifications and Data Storage Management

Softwares: Concept of System Software and Applications  
Networking: Introduction and types of network topologies

## **2 Office Productivity Tools**

MS Word: Creating, Editing, Formatting and Printing of Documents, Using Tools, Mailmerge and Print Review and Set-up MS Excel: Creating Worksheet, Creating Various Formulae, Creating Charts, Rename and Copy of Worksheets, Using Tools, Printing Review and Set-up Power Point: Create Project Report, Create Slides, Animation, Page Designing, Insert Image, View Page, Print Review and Set-up. Use of Tools In Accounting :- Preparation of vouchers, invoices and reports, Calculation of Interest, Depreciation, TDS, Salary, Taxes, inventory and reconciliation

## **3 Web**

Use of Various Web Browser  
Information Searching Tools  
Downloading  
Create New email ID  
Sending Data through email  
Search engine optimisation

## **4 Introduction to Internet and other emerging technologies**

Introduction - Internet components - electronic commerce - e-commerce applications - Electronic Data Exchange - Extranet - Payment systems - Risks and security considerations - Legal issues - Other emerging technologies

## **5 Electronic Commerce**

Meaning, Advantages and Limitations of E Commerce, The role of Strategy in E Commerce, Value chains in E Commerce, Infrastructure for Electronic Commerce Web Based Tools for Electronic Commerce, Electronic Commerce software, Security Threats to electronic Commerce , Implementing Security for Electronic Commerce, Electronic Payment Systems, Strategies for Marketing, Sales & Promotion Strategies for Purchasing Logistics & Support Activities, Electronic Markets & Communities, Business Plans for Implementing Electronic Commerce.



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