

# **B.A.F. / THIRD YEAR - VITH SEMESTER (REVISED)**

## **AUDIT (Technique of Auditing & Audit Procedures)**

### **1. Vouching of receipts & Payments**

#### **a) Receipts**

Audit of receipts including cash sales, receipts from debtors, recovery of bad debts written off, rents, interest, dividend, royalties, insurance claim, sale of assets, miscellaneous receipts

#### **b) Payments**

Audit of payments including cash purchases, payment to creditors, salaries and wages, rent, insurance premium, petty cash expenses, telephone expenses, postage and courier, traveling, commission, advertising, internet expenses, purchase of assets, deferred revenue expenditure, taxes, directors' remuneration

### **2. Verification and Valuation of Fixed Assets**

Fixed Assets: - Land, building, plant & machinery, goodwill, patents & copyrights

Investments: - shares/ debentures in listed companies,  
Shares/debentures in unlisted companies,  
Government securities

Current Assets- stock, debtors, cash and bank balance, loans and advances.

Liabilities – Loans taken –secured and unsecured, sundry creditors, bills payable

### **3. Audit of Limited Companies**

#### **a) Qualification, disqualifications, appointments**

(First & Subsequent auditor), reappointment, removal of auditors.

#### **b) Certificate & reports**

#### **c) Report under companies act, AAS-28**

#### **d) Rights, duties and liabilities of auditor**

### **4. Tax Audit**

Requirements, qualifications u/s 44AB, tax audit report with annexures

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**COST ACCOUNTING PAPER IV**

**1. Budgeting and Budgetary Control**

Meaning and objectives, Advantages and limitations of budgets  
Functional budgets, Fixed and Flexible budgets  
Zero based budgeting, performance budgeting  
Simple practical problems of preparing flexible budgets  
and functional budgets

**2. Absorption Costing and Marginal Costing**

Meaning of absorption costing,  
Introduction to marginal costing  
Distinction between absorption costing and marginal costing  
Advantages and limitations of marginal costing

**3. Cost Volume and Profit analysis**

Break even analysis meaning and graphic presentation  
Margin of safety  
Fey factor  
Simple practical problems based on using the marginal costing  
Formulae

**4. Managerial Decision Making**

Make or buy  
Sales mix decisions  
Exploring new markets  
Plant shut down decision  
Simple practical problems

**5. Standard Costing and Variance analysis**

Preliminaries in installing of a standard cost system  
Material cost variance  
Labour cost variance  
Variable overhead variances  
Fixed overhead variances  
Sales variances  
Simple practical problems

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**FINANCIAL ACCOUNTING PAPER VII**

- 1. Accounting for Banking Company**
  - (1) Legal provision in Banking Regulation Act, 1949 relating to Accounts.
  - (2) Statutory reserves including Cash Reserve and Statutory Liquidity Ratio
  - (3) Bill purchase and discounted, rebate of bill discounted
  - (4) Final accounts in prescribed form
  - (5) Non-performing assets and Income from non-performing assets.
  - (6) Classification of Advances, standard, sub-standard, doubtful and provisioning requirement.
- 2. Accounting of General Insurance Company**
  - (1) General Insurance – Various types of insurance, like fire, marine, Miscellaneous
  - (2) Special terms like premium, claims, commission, Management expenses, Reserve for unexpired risk, reinsurance
  - (3) Final accounts in a prescribed form. Revenue Statement – Form B – RA, Profit/Loss Account – Form B – PL and Balance Sheet – Form B – BS.
- 3. Accounting Standards**
  - (1) AS-2 Valuation of inventories
  - (2) AS-6 Accounting for Depreciation
  - (3) AS-10 Accounting for Fixed Assets
  - (4) AS-07 Construction Contracts

( Theory, Case Study and Practical questions)
- 4. Liquidation of Company**
  - (1) Meaning of liquidation or winding up
  - (2) Preferential payments
  - (3) Overriding preferential payments
  - (4) Preparation of statement of affairs, deficit/surplus account
  - (5) Liquidator's final statement of account
- 5. Limited Liability Partnership**

Statutory provisions  
Conversion of proprietary business in partnership  
Final accounts

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## **FINANCIAL ACCOUNTING PAPER VIII**

### **1 Valuation of goodwill, shares and business**

- a) Valuation of goodwill
- b) Maintainable profit method
- c) Super Profit Method
- d) Capitalisation Method
- e) Annuity method
- f) Valuation of Shares
- g) Intrinsic Value of the Asset
- h) Yield Method
- i) Fair Value Method

### **2 Final Accounts of Companies**

- a) Relevant provisions of Companies Act related to Final Account(excluding cash flow statement)
- b) Vertical and horizontal formats of profit/loss account and balance sheet
- c) AS 1 in relation to final accounts of companies (disclosure of accounting policies)

### **3 Profit Prior to Incorporation**

- a) Principles for ascertainment
- b) Preparation of separate, combined and columnar profit/loss account and balance sheet including different basis of allocation of expenses/incomes.

### **4 Foreign Braches Conversion as per AS 11 and incorporation in HO**

### **5 Accounting Standards**

# **B.A.F. / THIRD YEAR - VITH SEMESTER (REVISED)**

## **MANAGEMENT - II (MANAGEMENT APPLICATIONS)**

### **1 Marketing Management**

- a) Meaning and Definition of Marketing – 4 Ps of Marketing
- b) Product Management – Meaning & Definition – Product Development Strategies
- c) Price Management – Meaning & Definition – Pricing Strategies
- d) Place(Distribution) Management – Meaning and Definition – Factors governing Distribution Decisions – Types of Distribution Channels
- e) Promotion Management - Meaning – Promotion Strategies  
Case Studies based on the above topics

### **2 Production Management**

- a) Meaning and Definition of Production Management – Scope of Production Management – Production vs. Productivity
- b) Meaning of Productivity – Measurement of Productivity – Measure to increase Productivity – Productivity improvement in India
- c) Meaning and Definition of Quality Management – TQM – Quality Circles – ISO 9000/14000
- d) Inventory Management – Meaning and Methods  
Case Studies based on the above topics

### **3 Human Resource Management**

- a) Meaning and Definition of Human Resource Planning, Human Resource Management and Human Resource Development
- b) Process of Human Resource Planning
- c) Scope of Human Resource Management
- d) Methods of Developing Human Resource
- e) Performance Appraisal – Meaning and Definition - Traditional and Modern Methods of Appraisal - Self Appraisal – 360<sup>o</sup> Appraisal  
Case Studies based on the above topics

### **4 Financial Management**

- a) Meaning and Definition of Financial Management – Functions of Financial Management
- b) Short – term and Long – Term Sources of Finance – Source and Significance
- c) Capital Market – Meaning and Constituents – Functions
- d) Fundamental Analysis – Technical Analysis – Venture Capital – DEMAT Account – Futures and Options  
Case Studies based on the above topics

# **B.A.F. / THIRD YEAR - VITH SEMESTER (REVISED)**

## **TAXATION PAPER IV DIRECT TAXES - 2**

### **INCOME TAX ACT, 1961**

#### **1 Capital Gains**

##### Sections

Sec : 45 – Chargeability of Capital Gains

Sec : 48 – Mode of Computation of Capital Gains

Sec : 49 – Cost with Reference to Certain Modes of Acquisition

Sec : 50 – Special Provisions for Computation of Capital Gains in Case Of depreciable Assets.

Sec : 50 B – Depreciable Assets

Sec : 50 C – Full Value of consideration

Sec : 54 – Profit on Sale of Property Used for Residence

Sec : 55 – Meaning of “Adjusted”, ”Cost of Improvement “ & “Cost of Acquisition”

(Incl. Section 2 – Capital Assets & Transfer)

#### **2 Basic Aspects of Deductions of Tax at Source**

Sec : 194 A – TDS on Interest.

Sec : 194 C – TDS on Payment made to Contractor

Sec : 194 H – TDS on Commission.

Sec : 194 I – TDS on Rent

Sec : 194 J – TDS on Professional Fees.

Payment of TDS and Procedure for E – Filing of TDS Return

#### **3 Set Off and Carry Forward of Losses**

Sec : 70 – Set off Loss from one Source Against Income from Another Source Under the Same Head of Income

Sec : 71 – Set Off Loss from One Head Against Income Of Another Head

Sec : 71 B – Carry Forward & Set Off of Losses From House Property

Sec : 72 – Carry Forward & Set Off of Losses from Business

Sec : 73 – Losses in Speculation Business

Sec : 74 – Loss under the head of Capital Gains

#### **4 Computation of Income of Partnership Firm in Relation to Sec : 40(b) and Tax thereon with Applicable Rate of Tax**

#### **5 Return of Income - Sec 139**

#### **6 Advance Tax u/s 207, 208, 209, 210, 211**

Sec : 207 – Income Liable to Advance Tax

Sec : 208 – Liability of Advance Tax

Sec : 209 – Computation of Advance Tax

Sec : 210 – Payment of Advance Tax by Assessee on His Own Account

Sec : 211 – Due Dates of Payment of Advance Tax