

# **H. L. COLLEGE OF COMMERCE**

(Since 1936)

## **GUJARAT UNIVERSITY SYLLABUS**

### **SECOND B.COM.**

**Effective from June 1996**

# GUJARAT UNIVERSITY – SECOND B.COM. SYLLABUS

## SECOND B.COM. EXAMINATION

(New Course in force from June, 1987)

### O.Com. 3 :

No candidate shall be admitted to the Second B.Com. Examination unless after having passed the First B.Com. Examination of this University or an equivalent examination, he has kept two terms in a college affiliated to this University for the purpose of this Examination, provided that a candidate who is allowed to keep terms for the Second B.Com. Examination of this University will also be eligible for admission to this Examination after keeping two terms in a college affiliated to this university.

### O.Com. 4 :

Candidate must forward their applications for the examination to the Register on or before the prescribed date with a certificate of attendance during the First Term. Certificate of attendance during the Second Term shall be forward by Principals of Colleges, within a week of the close of the second term.

### R. Com. 7

The following are the subjects prescribed for the Second B.Com. Examination :

| <i>No.</i> | <i>Subject</i>  | <i>Marks</i>  |                 | <i>Duration of Examination</i> |                 |
|------------|---|---|-----------------|--------------------------------|-----------------|
|            |   | <i>Paper</i>  | <i>External</i> |                                | <i>Internal</i> |
| 1.         | Commercial Communication-II   | One   | 70              | 30                             | 3 hours         |
| 2.         | Economics-II  | ”   | ”               | ”                              | ”               |
| 3.         | Business Organisation and Management-II   | ”   | ”               | ”                              | ”               |
| 4.         | Taxation  | ”   | ”               | ”                              | ”               |
| (5)-(6)    | Principal Subject   | Two   | 70 each         | 60 Each                        | 3 hours each    |
|            | Two papers, i.e., Paper-II & III in any one subject from the following offered as Principal subject : |   |                 |                                |                 |
|            | 1.  | Advanced Accountancy & Auditing                         |                 |                                |                 |
|            | 2.  | Advanced Business Management                            |                 |                                |                 |
|            | 3.  | Advanced Statistics                                     |                 |                                |                 |
|            | 4.  | Economics of Cotton                                     |                 |                                |                 |
|            | 5.  | Agriculture with Commercial and Management Aspects      |                 |                                |                 |
|            | 6.  | Banking and Finance                                     |                 |                                |                 |
|            | 7.  | Advanced Public Economics (including public Enterprise) |                 |                                |                 |
|            | 8.  | Public Administration                                   |                 |                                |                 |
|            | 9.  | Actuarial Science                                       |                 |                                |                 |
|            | 10.   | Business Statistics                                     |                 |                                |                 |
| 7.         | Subsidiary subject  | One   | 70              | 30                             | 3 hours         |

One paper, i.e., Paper II in any of the subjects in (6) above other than the Principal subject offered or any one from the following offered as a subsidiary subject :

1. Secretarial Practice
2. Marketing
3. Insurance
4. Business Communication (English Language)
5. World Resources and World Trade
6. Co-operation.
7. Mathematics for Statistics or Actuarial Science
8. Computer in Business Operations.

## **GUJARAT UNIVERSITY – SECOND B.COM. SYLLABUS**

### **Standard of Passing (Second B.com. Examination)**

#### **R. Com. 9 :**

To pass the examination, a candidate must obtain at least 36% of the total marks obtainable separately in the University Examination and in the internal assessment in each subject.

Those of the successful candidates who obtain 60% or more of the total marks obtainable will be placed in the First Class, provided they obtain at least 60% of the total marks obtainable in the papers at the examination actually held by the University as distinguished from internal evaluation; and those obtaining 48% of the total marks obtainable in papers at the examination actually held by the University as distinguished from internal evaluation.

The Marks for internal assessment in a subject or subjects shall be carried forward for the candidates appearing more than once at the examination.

#### **R.Com. 10 :**

A candidate who fails at the examination and has obtained at least 40 per cent of the marks in English and 44 per cent of the marks in any of the other subjects, provided he has passed in that subject, shall, at his option, be excused from appearing in that subject at a subsequent examination and will be declared to have passed the whole examination when he has passed in all the remaining subjects of the last occasion he must obtain the minimum number of marks in each subject as required for passing under the relevant regulation. A candidate passing the examination in this manner will not be eligible for prize, scholarships or other award for the examination.

Provided however on his reappearing examination subject in which he has failed if he obtains at least the minimum marks required for passing in that subject, in that subject, notwithstanding his failure to clear all the subjects at the one and the same attempt, he will not be required to reappear in all.

#### **R.Com. 11 :**

A candidate passing at least in four subjects at the Second B.Com. Examination will be allowed to keep terms for the Final B.Com. Examination but will not be declared to have passed the Final B.Com. Examination, unless he passes in the remaining subject or subjects of the Second B.Com. Examination in the same or previous Examination season. His result for Final B.Com. Examination will not be declared till he passes in the remaining subjects of the Second B.Com. Examination

## **TAXATION**

### **I. THE INCOME-TAX ACT, 1961 :**

(85%)

#### **1. (i) Introduction and brief history.**

(15%)

(ii) Definition : Agricultural income, Assessee, Previous year, Assessment Year, Dividend, Income, Total Gross Income, Total Income and other terms relevant to the prescribed syllabus.

(iii) Charge of Income-tax, Scope of Total Income and Residential Status of individual assessee (Sections 4 to 9).

(iv) Income-tax Authorities (Sections 16 to 120, 124).

(v) Provisions relating to  
(a) Return of Income (Sec. 139)  
(b) Permanent Account No. (Sec. 139-A)  
(c) T.D.S. and Advance payment of Tax (Sec. 190, 192, 193, 194-A, 207, 208, 211, 214, 215)

#### **2. Computation of Income :**

(70%)

(a) (1) Salaries (Sections 14, 15, 16, 17)

*Note : Paper-setter shall have to mention whether the assessee is a specified employee under I.T. Act, 1961 or not.*

(2) Income from House Property (Sections 22 to 27)

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(3) Profits Gains of Business or Profession (Sections 28 to 32 [Excluding 32-A & B], 36 to 38 40-B]

(4) Capital Gains (Sections 45 to 51, 54, 54EC, 54-F, 55)

*Note : Relevant Cost Inflation Index Nos. must be provided by Paper-setter.*

(5) Income from other Sources (Sections 56 to 59)

*Note : T.D.S. rates must be provided by the Paper setter.*

(b) Exemptions, Deductions etc :

(i) Exemptions available to individual assessee only (Section 10).

(ii) Deductions under Section 80-D, 80-DD, 80-G, 80-L and 80-U.

(iii) Rebate under Sections 88 and 88-B.

(iv) Income of other persons included in assessee's total income (Sections 60 to 65).

*Note : These provisions are not to be incorporated in practical problems. Only theory questions or objective questions shall be asked.*

(v) Aggregation of income and set-off and carry-forward of losses.

Sections 66, 68, 69, 69-A, 69-B, 69-C, 70, 71, 71-A, 72, 73, 74, 75)

II THE WEALTH TAX ACT, 1975 :

15%

(1) Definitions : Assets, Debts owed, Valuation Date, Assessment Net Wealth.

(2) Incidence of Wealth-tax with reference to Residential Status and Citizenship.

(3) Exempted Assets.

(4) Computation of Net Wealth.

(5) Concept of Valuation of Assets (in theory only).

**Notes :**

(1) Provisions applicable to the relevant academic year shall be taken into consideration. No change made effective after the 31<sup>st</sup> March immediately preceding the current academic year shall be considered.

(2) The subject should be studied with reference to an individual assessee only. Computation of Total Income of an Indian citizen and Ordinary resident is expected.

(3) Students are not expected to remember the section numbers; while setting a question-paper the topic/aspect should be indicated rather than the section number.

(4) Practical problems carrying not less than 60% marks should be asked.

(5) A latitude of 5% marks in the relative weightage is allowed to the Paper setter in the marks allotted.

(6) Practical questions involving only one head of income can be asked.

(7) One multiple choice question carrying 20% marks (requiring the explanatory working notes) shall be asked.

(8) Computation of Total Income (after giving Taxable Income under different heads) with deductions under Section 80 (as prescribed in the syllabus) can be asked.

## **COMMERCIAL COMMUNICATION - II**

**1. Bank Correspondence**

(15%)

Letters a client writes to a bank :

1. Stop-payment of a cheque; 2. An error in a pass-book; 3. An error in calculating interest; 4. Delay in Collecting cheques; 5. Bank charges / commission; 6. Wrongful dishonour of a cheque; 7. Transfer of an account; 8. Transfer of an amount; 9. Request for cash credit; 10. Request for a loan; 11. Request for an overdraft facility; 12. Renting a locker; 13. On losing the key of a locker; 14. For investment advice; 15. Standing instructions.

**2. Secretarial Correspondence**

(15%)

1. Non-allotment of shares; 2. Non-receipt of a refund order; 3. Non-receipt of a dividend/interest warrant; 4. Request to revalidate a dividend/interest warrant; 5. Non-receipt of a share/debenture certificate; 6. Request to rectify an error in a share/debenture certificate; 7. Request to issue a

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duplicate share/debenture certificate; 8. Concern about declining profits; AND Replies to the above letters.

- 3. Agency Correspondence (15%)**  
1. Application for agency; 2. Terms of the agency; 3. Negotiations for better terms (initial and renewal stages); 4. Appointment of agents; 5. Confirmation of appointment; 6. Appreciation of a good performance; 7. Reprimand for an unsatisfactory performance ; 8. Reply to the reprimand; 9. Surrendering an agency; 10. Terminating an agency.
- 4. (A) Comprehension (15%)**  
A Commercial topic in a business journal/newspaper.
- (B) Vocabulary (10%)**  
65 Foreign words and phrases (Only objective questions)
- 5. Study of the Text (30%)**  
(No question on reference to the context)

### **ECONOMICS-II**

1. **Money** : Concepts of money and value of money – Theories of value of money-Quantity Theory (10%)  
of Money : (Fisher and Cambridge Approaches) – Index Numbers.
2. **Inflation** : Concept of Inflation – Causes and Effects of Inflation – Control of Inflation. (10%)
3. **Monetary Policy** : Tools and Objectives of Monetary Policy – Fiscal Policy : Taxation, Public Expenditure and Public Debt. (10%)
4. **Classical Employment Theory** : Say’s Law of Markets – Limitations and criticism – Pigou’s theory of wage flexibility and full employment. (10%)
5. **Keynes’ Economic Theory** : Introduction –Consumption Function – Multiplier Analysis – Marginal Efficiency of Capital. (10%)
6. **International Trade** : Factors affecting international trade – Ricardian Theory of International Trade – Gains of International Trade. (10%)
7. **Terms of Trade and Trade Policy** : Concept of terms of trade – Factors affecting terms of trade (10%)  
– Trade Polices : Free Trade versus Protection.  
[Protection for infant industries, for increasing employment and for industrialisation]
8. **Exchange Rate Determination** : Concept of Equilibrium Exchange Rate – Absolute and Relative Versions of Purchasing Power Parity Theory of Exchange Rate. (10%)
9. **Monetary System** : Circumstances leading to the formation of I.M.F. Its working – Exchange Rate Policy and Exchange Rates under I.M.F. (10%)
10. **International Financial Institutions** : I.B.R.D. – I.F.C. – I.D.A. and Introduction to World Trade Organisation. (W.T.O.) (10%)

### **BUSINESS ORGANISATION AND MANAGEMENT-II**

- PERSONNEL MANAGEMENT :** (50%)
- Personnel Management
  - Meaning and importance
  - Scope and Functions
  - Concepts of Human Resource Management
  - Role and Functions of Personnel Managers
- MANPOWER PLANNING :**
- Meaning and importance, steps in manpower planning :
- Manpower Inventory

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- Job Analysis (Nature, Objectives, Uses)
- Job Description
- Job Specification
- Assessment of demand for manpower
- Forecasting manpower demand – methods of forecasting manpower demand.
- Assessment of Supply of manpower
- Internal and External Sources
- Matching demand for and supply of manpower

### **RECRUITMENT, SELECTION AND PLACEMENT :**

- Recruitment Needs
- Sources of Recruitment – Internal and External
- Steps in Selection Process
- Placement and Induction
- Assessment of Selection and Placement Decisions
- Reliability Validity, Utility and Cost, Selectivity, Base rates vs, Predictor rate

### **TRAINING AND DEVELOPMENT :**

- Meaning of training and development
- Need for training and development
- Principles of training and development
- Methods for training
- Methods for Managerial development
- Evaluation of training and development

### **PERFORMANCE APPRAISAL :**

- Meaning of Performance Appraisal
- Need for Performance Appraisal
- Methods of Performance Appraisal – Confidential Reports, Rating Scales, Ranking System, Paired – Comparison, Forced – Choice, Critical Incident, Cost Accounting – Forced Distribution, Self-Appraisal.
- Concepts of Promotion, Demotion, Transfer. Merit vs. Seniority in Promotion.
- **Concept of Quality of Work life**
- **Career Planning**
- Purpose and importance of Career Planning
- Stages in Career Planning, Career Planning Programmes
- Job Design
  - (i) Approaches to Job Design
  - (ii) Concepts of Job Rotation, Job Enlargement and Job Enrichment
  - (iii) Core dimensions of Jobs – Variety, Task Identity, Task Significance, Autonomy, Feedback.
- Stress
  - Causes of Stress
  - Methods of Coping with Stress

### **FINANCIAL MANAGEMENT :**

**(50%)**

**Meaning of Finance :** Finance function in Business – Importance of Finance functions in the organisation. Financial Management and Role of Finance Manager in the organisation – Interrelationship between finance function and other functional areas of management – underlying objectives in resource management. Satisfactory return on investment.

**Capital Plan :** General understanding of Fixed and Working Capital Needs – Essentials of a good capital plan.

**Capitalisation :** Meaning, causes, effects, remedies of undercapitalisation and of Capital structure – Meaning and Computation of Trading on Equity.

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**Cost of Capital :** Meaning, importance – Computation of cost of capital for equity and preference share capital and bonds or debentures bearing fixed interest.

*(Note : Computation of average cost of capital and impact of average cost of capital on the price of the share and on the valuation of the firm is not expected.)*

**Capital Budgeting :** Meaning, steps,. Types of projects (Independent and Mutually Exclusive) Availability of funds (unlimited and Capital Rationing), Approaches to Capital Budgeting Decisions (Accept – Reject Approach; Ranking Approach) – Techniques of Capital Budgeting – Pay Back, Average Rate of Return, Net Present Value of worth (**Note :** Computation of Net present value is not expected.)

**Working Capital :** Concept and types of working capital, factors determining working capital requirement. Principles of Working Capital Management. Trade off between profitability and risk; Basic assumptions underlying such trade off, nature of such trade off.

*Note : Out of five questions, one question may cover topics both from personnel management and financial management.*

### ADVANCED ACCOUNTANCY-II

1. **Issue of Shares :** (On pro-rata basis) Forfeiture and Reissue of forfeited shares. Issue of shares for consideration other than cash.
2. **Underwriting of Shares :** Determination of underwriters' liabilities and accounting treatment in the books of the company.
3. **Issue and Redemption of Debentures :** (excluding purchase of own debentures)
4. **Alteration of Share Capital :**
  - (i) Increase of capital, Consolidation of shares, Conversion of share capital into stock and reconversion of stock into share capital; Subdivision of shares, Cancellation of unissued capital.
  - (ii) Redemption of Redeemable Preference Shares u/s 80 of The Companies Act, 1956.
  - (iii) Issue of Bonus Shares (including application of guidelines for issue of Bonus Shares as may be in force on 31<sup>st</sup> March of the preceding academic year.)
5. **Capital Reduction** (internal reconstruction)
6. **Purchase of business of a firm** by the Co. Accounting treatment in the books of the company.
7. **Company Final Accounts** (Excluding computation of managerial remuneration) : Concept and Accounting treatment of Tax Provision, Gross Block, Net Block, Dividend, Pre and post-incorporation Profit/Loss.
8. **Liquidation of Companies :** (voluntary liquidation) : Preparation of Liquidator's Final Statement of Accounts.

**Notes :**

1. *In company final accounts, problems connected with other topics are not expected.*
2. *The paper to be set at the university examination should cover questions, testing conceptual knowledge through objective questions (at least one) and short questions (at least one) and should also cover two full length questions.*

### ADVANCED BUSINESS MANAGEMENT-II

1. **BUSINESS ENVIRONMENT AND STRATEGIC MANAGEMENT :**  
Micro-environment; Macro-environment; Environmental change; Techniques for Environmental Analysis; Strategic Management; Conclusion.
2. **THE EMERGING SCENARIO :**  
The Global Scenario – Political and Economic Environment; Global Economic Boom; National Strategies; Business Strategies.

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The Indian Scenario – Economic and Competitive Environment; Demographic and Social Environment; The Rise of the Rural Market; Future Trends.

3. **BUSINESS AND SOCIETY :**  
Changing Concept and Objectives of Business, Professionalisation; Business Ethics, Business and Culture; Technological Development and Social Change; Cultural Lag.
4. **SOCIAL RESPONSIBILITY OF BUSINESS :**  
Responsibility to Shareholders; Responsibility to Employees, Responsibility to Consumers; Responsibility to the Community; The Indian Situation; Social Audit.
5. **CONSUMER RIGHTS, CONSUMERISM AND BUSINESS :**  
Consumer Rights, Exploitation of Consumers; Consumer Protection; Utility of Consumerism; Consumer protection and Consumerism in India; Opportunity for Industry; Consumer Protection Act, 1996, Amendments.
6. **ECONOMIC SYSTEMS :**  
Capitalism; Socialism; Mixed Economy; The mixed Economy of India.
7. **ECONOMIC ROLES OF GOVERNMENT :**  
Regulatory Role; Promotional Role, Entrepreneurial Role; Planning Role; Economic Roles of Government of India The Constitutional Environment, Expansion in State Intervention.
8. **INDUSTRIAL POLICY :**  
The Industrial Policy Resolution of 1948; Industrial Policy Resolution 1956, Review of Industrial Licensing System; Policy Development in 1970s; Industrial Policy Statement 1980; Policy Liberalisation in the Eighties; The New Industrial Policy.
9. **IDRA AND INDUSTRIAL LICENSING :**  
Coverage of the Act; Exemptions from the Act; Central Advisory Council and Development Councils; Regulation of Scheduled Industries; Power to Investigate; Exercise Control Take-over, Management etc., Power to Provide Relief to Certain Industrial Undertakings; Sale or Reconstruction; Price and Distribution Controls, Power of Inspection; Decision of Central Government Final in respect of Certain Matters.  
  
Letter of Intent and License; Objectives of Licensing; Activities Requiring Licensing, Power to Revoke / Amana License, Exemptions from Licensing; The New Policy.
10. **PROTECTION OF PATENTS AND TRADE MARKS :**  
Patents – Indian Patents Law and Uruguay Round Trade Marks Trade and Merchandise Marks Act.
11. **PUBLIC, PRIVATE, JOINT AND CO. OPERATIVE SECTORS :**  
Public Sector Objectives; Growth of Public Section; The New Public Sector Policy, Organisation of Public Enterprise; Government and Parliamentary Control; Pricing Policy; Nationalisation; Private Sector, Joint Sector-Formation of Joint Sector Enterprise; Rationale of Joint Sector; Evolution of Government Policy, The concept of National Sector.  
  
Co-operative Sector-Processing and Industrial Co-operatives; Distribution and Marketing Co-operatives; Functional Co-operatives. Multipurpose Co-operatives; National Level Co-operative Federation; Problems Consultancy Services.

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The Indian Scenario – Economic and Competitive Environment; Demographic and Social Environment; The Rise of the Rural Market; Future Trends.

12. **BUSINESS AND SOCIETY :**

Changing Concept and Objectives of Business, Professionalisation; Business Ethics, Business and Culture; Technological Development and Social Change; Cultural Lag.

13. **SOCIAL RESPONSIBILITY OF BUSINESS :**

Responsibility to Shareholders; Responsibility to Employees, Responsibility to Consumers; Responsibility to the Community; The Indian Situation; Social Audit.

14. **CONSUMER RIGHTS, CONSUMERISM AND BUSINESS :**

Consumer Rights, Exploitation of Consumers; Consumer Protection; Utility of Consumerism; Consumer protection and Consumerism in India; Opportunity for Industry; Consumer Protection Act, 1996, Amendments.

15. **ECONOMIC SYSTEMS :**

Capitalism; Socialism; Mixed Economy; The mixed Economy of India.

16. **ECONOMIC ROLES OF GOVERNMENT :**

Regulatory Role; Promotional Role, Entrepreneurial Role; Planning Role; Economic Roles of Government of India The Constitutional Environment, Expansion in State Intervention.

17. **INDUSTRIAL POLICY :**

The Industrial Policy Resolution of 1948; Industrial Policy Resolution 1956, Review of Industrial Licensing System; Policy Development in 1970s; Industrial Policy Statement 1980; Policy Liberalisation in the Eighties; The New Industrial Policy.

18. **IDRA AND INDUSTRIAL LICENSING :**

Coverage of the Act; Exemptions from the Act; Central Advisory Council and Development Councils; Regulation of Scheduled Industries; Power to Investigate; Exercise Control Take-over, Management etc., Power to Provide Relief to Certain Industrial Undertakings; Sale or Reconstruction; Price and Distribution Controls, Power of Inspection; Decision of Central Government Final in respect of Certain Matters.

Letter of Intent and License; Objectives of Licensing; Activities Requiring Licensing, Power to Revoke / Amend License, Exemptions from Licensing; The New Policy.

19. **PROTECTION OF PATENTS AND TRADE MARKS :**

Patents – Indian Patents Law and Uruguay Round Trade Marks Trade and Merchandise Marks Act.

20. **PUBLIC, PRIVATE, JOINT AND CO. OPERATIVE SECTORS :**

Public Sector Objectives; Growth of Public Section; The New Public Sector Policy, Organisation of Public Enterprise; Government and Parliamentary Control; Pricing Policy; Nationalisation; Private Sector, Joint Sector-Formation of Joint Sector Enterprise; Rationale of Joint Sector; Evolution of Government Policy, The concept of National Sector.

Co-operative Sector-Processing and Industrial Co-operatives; Distribution and Marketing Co-operatives; Functional Co-operatives. Multipurpose Co-operatives; National Level Co-operative Federation; Problems Consultancy Services.

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1. Government and Business

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N.K. Sengupta (1995)

Vikas Publishing House – New Delhi

### **ADVANCED STATISTICS-II**

- 1 (A) DIFFERENTIATION :** (20%)  
Definition of second order derivative, stationary values (maximum and minimum) of functions of one upto first and second order, Homogeneous functions of two variable, Euler's theorem (statement only) and its applications.
- (B) BUSINESS APPLICATIONS OF DERIVATIVE :**  
Use of derivative in finding approximate value of square root and cube root of numbers, mathematical formulation of demand, supply, revenue and cost functions, price, elasticity of demand and supply, marginal and average revenue and their relationship with elasticity of demand, market equilibrium and monopoly problem, use of partial derivatives in problems relating to utility functions and cost minimization under constraint.
- 2 (A) PROBABILITY DISTRIBUTIONS :** (20%)  
Geometric & Negative Binomial Distributions and their probability mass functions, their means and variances (only statement), their properties, uses and examples.
- (B) CONTINUOUS PROBABILITY DISTRIBUTION :**  
Idea of a continuous random variable & its density function. Normal distribution, its probability density function, properties and uses. Conditions for approximation of Binomial distribution to Normal condition, use of normal tables, applications with numerical examples.
- 3 CONTROL CHARTS :** (20%)  
**(A)** Meaning and use of SQC (Statistical Quality Control) in industries, basis of control limits, theory of runs, control charts for variables  $\bar{X}$  and R charts, their control limits (statement only) and drawing of these charts and interpretation of results through examples based on industrial data.  
**(B)** Control charts for Attributes p, np and c charts (for constant sample size only), their control limits (statement only), drawing of these charts and interpretation of results through examples based on industrial data.
- 4 ACCEPTANCE SAMPLING :** (20%)  
Need and importance of acceptance sampling, Description of single sampling plans for attributes, idea of consumers' and producers' risks. OC function of single sampling plan and AQL, LTPD, AOQ, AOQL, ASN and ATI for it, drawing of OC curve of single sampling plans using Hyper Geometric distribution (when lot size N is small with  $c=0$  and 1 or by Poisson Dist., when N and n are large with  $c \leq 2$  and value of  $e^{-m}$  should be given.)
- 5 ELEMENTS OF OPERATIONS RESEARCH :** (20%)  
**(A)** Meaning and importance of operations research (O.R.) as tools of decision making in business and industry, formulation of Transportation problem as an LP, its initial basic feasible solution by (1) North west corner rule (2) Matrix minima and (3) Vogel's approximation method.  
**(B)** Assignment problem and its basic feasible solution by Hungarian method. Replacement problems for items that deteriorate with time and value of money remaining constant, simple numerical examples.

### **ADVANCED ACCOUNTANCY-III**

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### **1 Cost Accounting :**

#### **(A) Prime Cost :**

**50% marks**

- (1) **Materials :** Definition and types of materials-Ordering and receiving of materials from the viewpoint of control-Bin cards, Stock record cards-Periodic and perpetual inventory system-Pricing of issue of materials-Effect of pricing issues (Under different methods) on stock valuation-Meaning and accounting of wastage, scrap, spoilage and defectives : Stock Levels and EOQ as tools for stores control.
- (2) **Labour :** Direct and indirect labour-Principals of determining wage rate-Various methods of wage payments-Computation under Time wage and Piece wage system and Taylor's Differential piece wage system-Copartnerhsip and profit sharing scheme-Computation of labour cost rates-Ascertainment and treatment of idle time, overtime, leave with pay and holiday with pay-Meaning, effect and computation of labour turnover.
- (3) Chargeable expenses and problems connected therewith.

#### **(B) Overheads :**

General principals – Classification of overheads-Methods of Segregation of semivariable overheads (Computation under High & Low Points Methods only) – Allocation and apportionment of overheads (Departmentalisation of overheads) – Reapportionment of service department costs; Methods of reapportionment and redistribution of works overheads – Methods of absorption of factory overheads administration and selling and distribution overheads (in theory only)- Under and over-absorption of overheads – Miscellaneous items in overheads-Interest on Capital, Research and Development costs (in theory only.)

#### **(C) (i) Costing Methods :**

1. Operating Costing (Practical problems on Transport Costing.)
2. Contract Costing.

#### **(D) Non-Integral Accounts (in Cost Ledger) :**

Reconciliation of Financial Accounts and Cost Accounts.

### **II. Auditing :**

**50% marks**

- (A) **Introduction :** Definition, Objectives, Types of Audit; Techniques of Auditing (e.g. Total, test and surprise checking.)
- (B) Internal control, Internal check and Internal audit (Internal check as regards cash sales and wage payments only.)
- (C) Vouching – Meaning of Voucher : Definition and Objects of Vouching – Vouching of Individual transactions and of a subsidiary books.
- (D) **Auditor's Duties :** Valuation and Verification of Assets and Liabilities : Meaning, Auditor's studies : Verification and Valuation of the following : Goodwill, Leasehold Properties, Plant and Machinery, Investments, Inventory, Accounts Receivable and Payable. Secured Loans, Contingent Liabilities.
- (E) **Company Auditor :** Qualifications, disqualification, appointment, remuneration, removal classes of auditors, status of an auditor : Rights and duties of an auditor, Lien of Auditor.
- (F) **Auditor's Liabilities :** Civil, Criminal and Third Party Liabilities.

## **ADVANCED STATISTICS - III**

### **1 INTEGRATION :**

**(20%)**

- (a) Definition of integration as a process reverse to differentiation, some standard results based on exponential and polynomial functions, Integration by method of substitution and by parts, Method of partial fraction upto 2 fractions, examples.
- (b) Definite integral, properties of definite integral, application of definite to find areas, simple applications of definite integral in business and commerce.

### **2 MATHEMATICAL EXPECTATIONS :**

**(20%)**

- (a) Basic theorems on mathematical expectation, covariance, independence and uncorrelatendness of two random variables, examples, derivations of relationship of raw and

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central moments upto fourth order, Person's coefficient  $\beta_1$ ,  $\beta_2$ ,  $\gamma_1$ ,  $\gamma_2$  and their uses, moment generating function (MGF) of a random variable and derivation of moments from MGF.

- (b) Raw and central moments of Binomial and Poisson distributions, their MGF and derivation of moments from MGF, their recurrent relations among moments namely,

1.  $\mu_{r+1} = pq \left[ nr \mu_{r-1} + \frac{d\mu_r}{dp} \right]$  in case of binomial distribution.

2.  $\mu_{r+1} = m \left[ r \mu_{r-1} + \frac{d\mu_r}{dm} \right]$  in case of Poisson distribution.

Special study of Normal distribution through its MGF and derivation of moments, its recurrence formula for moments namely,

1.  $\mu_{2r+1} = 0$   
2.  $\mu_{2r} = (2r - 1)(2r - 3) \dots \dots 5.3.1. \sigma^{2r}$  for  $r = 0, 1, 2, \dots$

### **3 LARGE SAMPLE TESTS : (20%)**

Meaning of parameters and their estimates or statistics, idea of statistical Hypothesis (Null and Alternative), level of significance, standard error, Testing of significance of the following hypothesis involving.

- (1) Assigned value of mean
- (2) Equality of two properties
- (3) Equality of two means
- (4) Equality of two variances.

### **4 SMALL SAMPLES TESTS : (20%)**

Idea of degrees of freedom, standard error of sample mean, t and F statistics, Tests of significance based on t and F statistics, confidence intervals for mean and variance of a Normal population for given confidence coefficient (say 95% or 99%)

### **Reference : (20%)**

- (1) Sancheti & Kappor, Business mathematics, Sultan Chand and Sons.
- (2) Kenny and Keeping : Mathematics of Statistics, Volume I & II, Van-Nostrand.
- (3) Srivastava U.K., Shenoy & Sharma, wiley Estern.
- (4) Lapin L. L Statistics for modern business Decisions, Harcart, Braco Joanovoch Inc. (Second Ed.)
- (5) B.D. Gupta, G.P.Gupta : Mathematical Stastics, Sultan Chand & Sons.
- (6) Ansari, Gupta and Chaudhary : Applied Statistics – Kedarnath Ramnath and company.

## **ADVANCED BUSINESS MANAGEMENT - III**

### **Indian Financial System :**

(A) General :

- (1) Financial Systems and Economics Development
- (2) Indian Financial System – an overview.

(B) Money Market :

- (1) Commercial Banks and Industrial Finance.
- (2) Bank Credit and Working Capital Finance.
- (3) Management of Bank Funds.
- (4) Money Market Organization.

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- (C) Capital Securities Market :
- (1) Functions and Organization.
  - (2) Regulatory frame work.
  - (3) Primary Market Organization.
  - (4) Secondary Market Organization.
- (D) Unit Trusts and Mutual Funds :
- (1) Unit Trust of India.
  - (2) Other Mutual Funds.
- (E) Development Bank / Finance Institutions :
- (1) Industrial Finance Corporation of India.
  - (2) Industrial Credit & Investment Corporation of India.
  - (3) State Financial Corporations.
  - (4) Industrial Development Bank of India.
- (F) Insurance Organization :
- (1) Life Insurance Corporation of India.
  - (2) General Insurance Corporation of India.
- (G) Foreign Investment :
- (1) Foreign Capital

### **BOOKS**

***Basic Text Book :***

- (1) Indian Financial System – M.Y.Khan  
(Tata-McGraw – Hill Publication) Company Ltd. (1996)
- | Weightage              | Weightage |
|------------------------|-----------|
| Paras                  |           |
| I. (A), (B) & (C)      | 40%       |
| II. (D), (E) & (F) (G) | 60%       |

## **COMPUTER IN BUSINESS OPERATIOIN**

**It is recommended that :**

- (1) All the prescribed practical should be written in a neat journal.
- (2) The index and the certificate in the Journal should be certified by the concerned faculty and the Principal of the college.
- (3) The certificate journal should be produced at the time of University practical examination.

**List of Practical :**

- (1) Database Management System. GUI based FoxPro 2.6 OR M.S. Access
- (2) Internet and Web designing.
- (3) Utilities and Viruses.

Enough emphasis should be given an algorithm to help the students in performing problem analysis.

- (A) GUI based FoxPro 2.6
1. Introduction to FoxPro. How to start FoxPro. Show the different menus in FoxPro. Introduction to command menu.

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2. Creating a database (tables) and introduction to other files like Query, Screen, Report, Label, etc. Demonstrating the difference extension of the files.

3. Create a database Employee.dbf having field structure as

| <b>Field Name</b> | <b>Type</b> | <b>Width</b> |
|-------------------|-------------|--------------|
| Empno             | Numeric     | 5            |
| Name              | Character   | 20           |
| Join_date         | Date        | 8            |
| Basic             | Numeric     | 5+2          |
| DA                | Numeric     | 4+2          |
| HRA               | Numeric     | 4+2          |
| PF                | Numeric     | 4+2          |
| Gross             | Numeric     | 9+2          |
| Net               | Numeric     | 8+2          |

- Explain the different types of the fields and save the above structure.

4. Open the database created in practicals No.3 Add atleast 10 records in the database. Show the commands Append, Goto, Locate, Continue, Delete, Recall from record menus as well as from command window.

5. Open the database created in practical No. 3. Show the commands Append, Browse, Copy to, Short, Total, Average, Count, Sum using Database menu.

6. Create a table structure as under and save it as EMPMAS.

| <b>Field Name</b> | <b>Type</b> | <b>Width</b> |
|-------------------|-------------|--------------|
| L_name            | Character   | 15           |
| F_name            | Character   | 15           |
| Add_1             | Character   | 30           |
| Add_2             | Character   | 30           |
| City              | Character   | 25           |
| Pincode           | Numeric     | 06           |
| Designation       | Character   | 15           |
| Basic             | Numeric     | 05           |
| Date_join         | Date        | 08           |
| Sex               | Character   | 01           |

- Add atleast 10 records. Save the Table. Show how to edit the Records.
- Show the difference between edit and browse.

7. Open the database created in Practical No. 6.

- Index the table on F\_name and L\_name.
- Sort the Table on F\_name and L\_name. Discuss the difference between sort and index.

8. Open the database created in Practical No.6 and create a label.

9. Create a table as below.

| <b>Field Name</b> | <b>Type</b> | <b>Width</b>         |
|-------------------|-------------|----------------------|
| Bill_no           | Numeric     | 4                    |
| Bil_date          | Date        | 8                    |
| Party_Name        | Character   | 30                   |
| Cash_Cr           | Character   | 1 (1-Cash, 2-Credit) |
| Amount            | Numeric     | 8+2                  |

- Enter atleast 10 records. Modify the structure as

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|            |         |     |
|------------|---------|-----|
| Sales_tax  | Numeric | 5+2 |
| Commission | Numeric | 4+2 |
| Net_Amount | Numeric | 8+2 |

- Replace all Sales\_tax with 10% of Amount for sales in Cash.
- Replace all Sales\_tax with 15% of Amount for sales in Credit.
- Replace all Net\_Amount with Amount + Sales\_tax + Commission.

10. Open the database created in Practical No. 9.  
11. Create the following table.

| <b>Field Name</b> | <b>Type</b> | <b>Width</b> |
|-------------------|-------------|--------------|
| Roll_No           | Numeric     | 3            |
| Name              | Character   | 30           |
| Accounts          | Numeric     | 3            |
| Economics         | Numeric     | 3            |
| English           | Numeric     | 3            |
| Computer          | Numeric     | 3            |
| Total             | Numeric     | 5            |
| Percentage        | Numeric     | 3+2          |

- Enter values in the fields Roll\_no., Name, Accounts, Economics, English, Computer for 10 records.
- Calculate Total with  
$$\text{Total} = \text{Accounts} + \text{Economics} + \text{English} + \text{Computer}$$
- Calculate the Percentage for each record.

12. Open a database created in practical No.11. Create a query to display the records which has name = "AMIT" Show the use of RQBE (Relational Query By Example.)
13. Open a table created in Example 11 and create different queries as follows –
- Display all records of the students who get more than 60% marks.
  - Display all records of the students who get less than 60% marks.
  - Display all records all records of the students who fail (marks < 35) in any one of the subjects.
14. Open a table created in Example 6 and generate the queries as follows.
- Display all the names of employee whose Designation is "MANAGER"
  - Display all the names of employee whose Designation is "MANAGER"

15. Create a table as follows.

| <b>Field Name</b> | <b>Type</b> | <b>Width</b> |
|-------------------|-------------|--------------|
| Roll_No           | Numeric     | 3            |
| Name              | Character   | 30           |
| Class             | Character   | 1            |
| Division          | Character   | 1            |

- Add 10 records in this table.
  - Use the table created in example 11 and the above table and generate the following queries.
    - List class wise names of the students who secured first class.
    - List the students who stood first in their class.
16. Create a screen to add the record for the table created in table 6.
17. Check the different Character functions used in FoxPro using command window.  
Check the different Numeric functions used in FoxPro using command window.
18. Check the different logical functions used in FoxPro using command window.

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Check the different date functions used in FoxPro using command window.

19. Discuss different types of variables. Show how to store the data into the variables.
  20. Create a report to print the complete list of result of the students created in table 11.
- 

### **(A) List of Practical M.S.Access :**

- (1) Introduction to M.S.Access
  - How to open M. S. Access
  - Introduction to database window
  - Description of Tables, Queries, Forms, Reports, Macros, Modules.
- (2) Creating a database using Access wizard.
- (3) Open a database created in practical No.2. Describe type, data types as input mask, indexed, default value, validation rule etc.
- (4) Create a table using design view for the fields Roll No., Students name, Marks of CC, Eco, BOM, A/c, Computer, Total marks.
  - Enter 10 data in the table.
  - Edit the data and date type of the fields.
- (5) Open a table created in practical no.4, add new 5 records.
  - Show how to sort, filter the data.
  - See the layout of the datasheet.
- (6) Designing a form using a form wizard of an existing database.
- (7) Customizing the form appearance.
- (8) Introduction to queries.
  - Creating and modifying simple queries.
  - Use of multiple tables in queries.
  - Performing calculations and expressions in queries.
- (9) Create a student data table and generate the queries.
  - To search a particular record for given roll no.
  - To search all students having B.Com. Degree.
  - To search all students whose surname is "Patel"
- (10) Write the queries for the database for the table created in practical No. 9.
  - To search all students who are born between 1/1/70 to 1/1/97
  - To search the students who have secured first class in last year.
  - To search the students having the qualification as B.A. or B.Com.
- (11) Generating the reports using report wizard.
- (12) Introduction to different report design.
- (13) Create a employees table having fields, code, name, date of joining, designation, basic, DA, HRA, PF, gross, total and generate the queries.
  - To search a particular record for given employee name.
  - To search all employee having the designation "Manager"
  - To search all employees who are retiring on a particular date.
- (14) Generate a report for the above table.
- (15) Design a screen layout to add the details of the table inventory.
- (16) Create a query for above table.
  - To search the details of particulars item.
  - To search the total sales of the given date.
- (17) Generate a report to print summary for the inventory table created in practical no.16.

### **(B) Internet and Web designing :**

- (1) Design the Web page to introduce your college profile using Front page or other web page designer.
- (2) Create a Web page to give the publicity of any product along with proper slogan.

### **(C) Utilities and Viruses :**

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- (1) Show how to take backups using Norton Utility. Also show the disk information available in Norton Utility.
- (2) Show the different types of Viruses. Use any Vaccine to show how to remove the Viruses.

### **SECRETARIAL PRACTICE - II**

- (I) Membership :** (10)  
Who is entitled to become a member ? Methods of Acquiring Membership – Termination of Membership. Register of Members – Index of Members – Closure of Register of Members – inspection of Register – Foreign Register.
- (II) Alternation of share capital :** (10)  
Methods of altering share capital Section 94, 94-A-Reduction of share capital Section 100 Procedure for reduction of share capital-Issue of Right shares and bonus shares including guidelines.
- (III) Debentures :** (10)  
Definition – Kinds of Debentures – Issue of Debentures – Register of Debenture Holders – Transfer of Debentures – Trust Deed – Conditions relating to Issue and Redemption of Debentures – Methods of Redemption.
- (IV) Dividend and interest :** (10)  
Meaning of the term 'Dividend and Interest'-Provisions of the companies Act relating to dividend – Interim Dividend – Final Dividend – Dividend List – Dividend Warrants – Tax Deduction at source – Unclaimed Dividend – Transfer of unpaid dividend to a specified dividend account – Payment of Interest out of capital.
- (V) Directors :** (20)  
Definition – Appointment – Numbers – Share Qualifications – Disqualification – Vacation of Office – Removal and Resignation Powers and Duties of Directors and restriction thereon – Remuneration of Directors – Liability of Directors – Loans to Directors – Contract with the company – Registers relating to Directors – Managing Director – Appointment – Remuneration – Compensation for loss of office.
- (VI) Investigation :** (25)  
(a) Appointment of Inspectors by Central Govt. – Powers of Inspector's Inspector's Report – Powers of the Govt. on the basis of the Inspector's Report – Investigation of ownership of a company – Restrictions on Transfer of share and debentures .  
(b) Prevention of oppression and mismanagement : Application to the court of relief in case of oppression and mismanagement – Powers of the Court and the Powers of the Central Govt. U/S. 397 to 409.  
(c) Company Law Administration : Department of Company affairs – Company Law Board – Regional Directors – Company Register – Court Jurisdiction – Powers.  
VI. (a), (b) & (c)
- (VII) Winding up :** (15)  
Meaning-Methods-Voluntary winding up – Winding up by the Court – Appointment. Powers and Duties of the Liquidator – Remuneration of Liquidator.