

## **APPGCET -2021: SYLLABUS**

### **TEST NAME: 201: COMMERCE**

#### **Fundamentals of Accounting**

Concept – Definition – Objectives - Need for Accounting- Accounting Cycle- Book Keeping and Accounting–Accounting Concepts and Conventions – Classification of Accounts and its rules – Advantages – Limitations – Journal entry principles – Ledger preparation. Types of Subsidiary Books – Cash Book, Three-column Cash Book, Petty cash Book. Preparation of Trial balance – Types of Accounting Errors. Need for Bank Reconciliation – Reasons for difference between Cash Book and Pass Book Balances- Preparation of Bank Reconciliation Statement. Preparation of Final Accounts: Trading account – Profit and Loss account – Balance Sheet – Final Accounts with adjustments. Meaning of Depreciation – Methods of Depreciation- Provision Vs. Reserve – Preparation of Bad debts Account – Provision for Bad and doubtful debts – Provision for Discount on Debtors – Provision for discount on creditors – Repairs and Renewals Reserve A/c. Meaning of Bill –Features of bill – Parties in the Bill – Discounting of Bill – Renewal of Bill – Entries in the books of Drawer and Drawee. Consignment – Features – Proforma invoice – Account sales – Del-credre Commission – Accounting treatment in the books of consigner and consignee – Valuation of Closing Stock – Normal and Abnormal losses - Joint venture – Features – Differences between Joint-venture and consignment – Tools and Techniques of Financial Accounting Analysis : Common Size Balance sheet – Comparative Balance Sheet - Construction Contracts – Revenue Recognition - Accounting for Fixed assets. Effects of changes in foreign exchange rates – Accounting for government grants – Accounting for Amalgamation. Employee benefits – Borrowing costs – Indian Accounting Standards.

#### **Cost Accounting**

Cost Concepts – Definitions - Classification of Costs - Distinguish between Financial Accounting, Cost Accounting and Management Accounting – Preparation of Cost Sheet – Advantages - Limitations. Elements of Cost :Materials: Components of Material Cost - Material Control – Calculation of Material Cost per Unit – Materials Management Techniques :ABC technique – FIFO, LIFO, Weighted Average, Base stock methods. Labour: Elements of Labour Cost -Calculation of Cost per Labour Hour/ Head - Control of labor costs – Time Keeping and Time Booking – Idle time –Methods of Remuneration – Labour Incentives Schemes – Overheads: Allocation and Apportionment of Overheads – Machine Hour Rate. Job Costing : Advantages – applications – Process costing – treatment of normal and abnormal process losses – Preparation of Process Cost Accounts – Treatment of Waste and Scrap, Joint Products and by-products. Marginal Costing – Standard costing – Variance Analysis : Materials – Labour – Overheads Techniques and Methods of Cost Accounting.

#### **Management Accounting**

Concepts – Definitions – Need and Significance of Management Accounting– Management Reports – Techniques of Management Accounting – Methods of Management Accounting - Concept of fund: Preparation of Funds flow statement -. Uses and limitations of funds flow analysis. Concept of cash flow – Preparation of Cash Flow statement – Uses and limitations of Cash flow analysis. Calculation of Break-even point – Uses and limitations – Margin of safety – Make/Buy Decision – Lease/own Decision.

## **Business Economics**

Meaning and Definitions of Business Economics – Nature and Scope of Business Economics- Micro and Macro Economics and their differences. Meaning and Definition of Demand – Determinants of Demand – Demand function – Law of demand- Demand Curve – Exceptions to Law of Demand. Meaning and Definition of Elasticity of Demand – Types of Elasticity of Demand – Measurements of Price elasticity of demand – Total outlay Method – Point Method – Arc Method. Classification of Costs – Total - Average – Marginal and Cost function – Long-run – Short-run – Total Revenue – Average revenue – Marginal Revenue. Type of Costs – Fixed Cost – Semi-variable Cost – Variable Cost– Cost Behavior. Techniques of Maximization of output, Minimization of costs and Maximization of profit – Scale of production – Economies and Dis-economies of Scale – Costs of Production – Cobb-Douglas Production Function. Concepts of Economic liberalization, Privatization, Globalization –WTO Objectives Agreements – Functions – Trade cycles – Meaning – Phases – Benefits of International Trade – Balance of Trade and Balance of payments.

## **Business Organisation**

Concepts of Business, Trade, Industry and Commerce – Features of Business –Types of Business Organisations –Trade Classification – Aids to Trade – Industry – Classification – Relationship of Trade, Industry and Commerce. Functions of Business and their relationship – Factors influencing the choice of suitable form of organization – Meaning of Entrepreneurship – Characteristics of a good Entrepreneur – Types – Functions of Entrepreneurship. Sole Proprietorship – Meaning – Characteristics – Advantages and Disadvantages – Partnership – Meaning – Characteristics- Kinds of partners – Advantages and Disadvantages – Partnership Deed – Hindu-undivided Family – Cooperative Societies. Joint Stock Company – Meaning – Characteristics –Advantages – Kinds of Companies - Differences between Private Ltd and Public Ltd Companies. Preparation of important Documents for incorporation of Company – Memorandum of Association – Articles of Association – Differences Between Memorandum of Association and Articles of Association - Prospectus and its contents - .

## **Business Law**

Meaning and Definition of Contract-Essential elements of valid Contract –Valid, Void and Voidable Contracts – Indian Contract Act, 1872. Definition of Valid Offer, Acceptance and Consideration –Essential elements of a Valid Offer, Acceptance and Consideration. Rules regarding to Minors contracts – Rules relating to contingent contracts – Different modes of discharge of contracts-Rules relating to remedies to breach of contract. Contract of Sale – Sale and agreement to sell – Implied conditions and warranties – Rights of unpaid vendor. Cyber Law and Contract Procedures – Digital Signature – Safety Mechanisms – Employee Compensation Act – Consumer Protection Act.

## **Banking Theory & Practice**

Meaning – Definitions of Bank – Functions of Banks -Kinds of Banks – Central Banking Vs. Commercial Banking. Unit Banking, Branch Banking, Investment Banking- Innovations in banking – E-Banking – Online and Offshore Banking, Internet Banking – Anywhere Banking – ATMs – RTGS. Indigenous Banking – Cooperative Banks, Regional Rural banks, SIDBI, NABARD – EXIM Bank. Meaning and Definition of Banker and customer – Types of Customers – General Relationship and Special Relationship between Banker and Customer –

KYC Norms. Concepts – Duties & Responsibilities of Collecting Banker – Holder for Value – Holder in Due Course – Statutory Protection to Collecting Banker – Responsibilities of Paying Banker – Payment Gateways – Role of IT in Banking – Role of Banking in Financial Inclusion and Sustainable Development.

### **E-Commerce**

Features of Electronic Commerce – Models – Types of e-Commerce - Distinction between e-Commerce and e-Business – Types of Business Models: B2B, B2C, C2C – Benefits and Limitations of e-Commerce – Applications. Integration and e-Business suits – ERP, e-SCM, e-CRM – Methods and benefits of e-Payment Systems – e-Marketing – Applications and issues. E-Tourism – e-Recruitment – e- Real Estate – e-Stock Market – e-Music/Movies – e-Publishing and e-Books. Process – Methods – e-Content development and Deliveries – Major technologies used in e-Education – Online Testing – Methods – Future Trends. Ticketing – Mee-Seva; Government and Consumer Services – e-Retailing – e-Groceries – Security challenges – Case Studies.

### **Auditing and Corporate Taxation**

Meaning – Objectives – Importance of Auditing – Auditing as a Vigil Mechanism – Role of Auditor in checking corporate frauds. Based on Ownership and time – Independent, Financial, Internal, Cost, Tax, Government, Secretarial audits. Steps to be taken at the commencement of a new audit – Audit programme – Audit note book – Internal check, internal audit and internal control. Vouching of cash and trading transactions – Investigation, Auditing vs. Investigation. Auditor's Qualifications – Appointment and Reappointment – Rights, duties, liabilities and disqualifications – Audit report: Contents – Preparation – Relevant Provisions of Companies Act, 2013. Income from Business or Profession, Tax Provisions for certain types of businesses. Capital Gains, Income from Other Sources – Tax Provisions for Off shore and Special Tax Zones. Computation of Gross Total Income – Deductions – Carry-forward and set-off of losses – Minimum Alternative Tax (MAT). Procedure for Filing Returns, e-Filing, Assessment, Reassessment and Settlement of Cases, Special Procedure for Assessment of Search Cases. Powers and Duties – Appeals and Revisions – Tax Administration – Collection of Tax at Source – Advance payment of Tax – Recovery and Refund of Tax – Penalties, Offences and Prosecution.

### **Business Environment**

Business Environment – Meaning – Macro and Micro Dimensions of Business Environment – Economic – Political – Social – Technological – Legal – Ecological – Cultural – Demographic – Changing Scenario and implications – Indian Perspective – Global perspective – Impact of Liberalisation, Privatisation and Globalisation on Business Growth and expansion. Meaning of Economic growth – Factors Influencing Development – Balanced Regional Development. Rostow's stages of economic development – Meaning – Types of plans – Main objects of planning in India – NITI Ayog and National Development Council – Five year plans. Economic Reforms and New Economic Policy – New Industrial Policy – Competition Law – Fiscal Policy – Objectives and Limitations – Union budget – Structure and importance of Union budget – Monetary policy and RBI. Concept of Social Justice – Schemes – Political Stability – Leal Changes.

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