



**DIRECTORATE OF DISTANCE EDUCATION**  
**KURUKSHETRA UNIVERSITY,**  
**KURUKSHETRA-136 119**  
(Established by the State Legislature Act XII of 1956)  
("A" Grade, NAAC Accredited)

**SYLLABUS AND SCHEME OF EXAMINATION OF**

**B.Com.-III**

**SESSION 2015-16**

Paper No.	Name of Paper	Internal Assessment	Theory Paper Marks	Total Marks	Time
Paper-I	Income Tax	20	80	100	3 Hrs
Paper-II	Cost Accounting	20	80	100	3 Hrs
Paper-III	Management Accounting & Financial Management	20	80	100	3 Hrs
Paper-IV	Business Environment	20	80	100	3 Hrs
<b>Optional Papers</b>					
Paper-V Opt. (i)	Financial Market Operations	20	80	100	3 Hrs
Paper-VI Opt. (v)	Advertising and Sales Management	20	80	100	3 Hrs

## Paper-I.: Income Tax

External: 80

Internal Assessment: 20

Time.: 3 Hours

**Note: -** Ten questions shall be set in the question paper at least three-questions from each unit. The candidates will be required to attempt five questions in all selecting at least one question but not more than two from each unit.

**Unit-I** Basic Concepts; Income, agricultural, income, casual income, assessment year, previous year, gross total income, total income, person; Tax evasion, avoidance, and tax planning.

Basis of Charges : Scope of total income, residence and tax liability, income which does not form part of total income.

Heads of Income: Salaries; Income from house property;

**Unit-II:** Profit and gains of business or profession including provisions relating to specific business, Capital gains; Income from other sources.

Computation of Tax liability: Deduction from Gross total Income, Computation of total income and tax liability of an individual, H.U.F., and firm.

**Unit-III** Clubbing and Aggregation of Income: Set-off and carry forward of losses; Tax Management; Tax deduction at source; Advance payment of tax; Assessment procedures. Tax Administration; Authorities, appeals and revision, penalties and prosecution. Recovery of Tax and Refund of Tax Fringe benefits, Deductions Section 80 C to 80 U in Computing Total Income.

### Suggested Readings :

1. Singhanian, V.K. : Students Guide to Income
2. Prasad, Bhagwati : Income Tax Law & Practice.
3. Mehrotra, H.C. : Income Tax Law and Account.
4. Dinker Pagare : Income Tax Law and Practice.
5. Ahuja and Ravi Gupta : Systematic Approach.
6. Chandra, Mahesh and Shukla, D.C. : Income Tax.



## Paper-II : Cost Accounting

External : 80

Internal Assessment : 20

Time : 3 Hours

**Note: -** Ten questions, shall be set in the question paper at least three questions from each unit. The candidates will be required to attempt five questions in all, selecting at least one question but not more than two from each unit.

### Course Inputs

- Unit-I** Introduction : Nature and scope of cost accounting; Cost concepts and classification; Methods and techniques: Installation of costing system; Concept of cost audit.
- Accounting for Material : Material control; Concept and techniques; Pricing of material issues; Treatment of material losses.
- Accounting for Labour : Labour cost control procedure; Labour turnover;
- Idle time and overtime; Methods of wage payment-time and piece rates; Incentive schemes.
- Unit-II** Accounting for Overheads: Classification and departmentalization; Absorption of overheads; Determination of overhead rates; under and over absorption and its formations.
- Cost Ascertainment: Unit Costing, Job, batch and contract costing.
- Unit-III** Operating costing; Process costing- including interprocess profits and excluding equivalent production and joint and by-products. Cost records: Integral and non-integral system : Reconciliation of cost and financial accounts. Standard Costing and variance analysis-material and labour variance only; Budgetary control. Marginal Costing and Break even analysis."

### Suggested Readings:

1. Arora, M.N. : Cost Accounting-Principles and Practice; Vikas, New Delhi.
2. Jain, S.P. and Narang, K.L. : Cost Accounting, Kalyani, New Delhi.
3. Anthony Robert, Reece, et al. : Principles of Management Accounting; Richard D.IrWin Inc., Illinois.
4. Horngren; Charles, Foster and Datar: Cost Accounting- A Managerial: Emphasis; Prentice-Hall of India, New Delhi.



5. Khan, MY. and Jain, P.K. : Management Accounting; Tata McGraw Hill.
6. Kaplan, R.S. and Atkinson, A.A. : Advanced Management Accounting; Prentice India International.
7. Tulsian, P.C. : Practical Costing; Vikas, New Delhi.
8. Maheshwari, S.N. : Advanced Problems and Solutions in Cost Accounting; Sultan Chand & Co., New Delhi.

### **Paper-III : Management Accounting and Financial Management**

External : 80

Internal Assessment : 20

Time : 3 Hours

**Note:-** Ten questions shall be set in the question paper at least three questions from each unit. The candidates will be required to attempt five questions in all, selecting at least one question but not more than two from each unit.

**Unit-I** Management Accounting: Meaning, nature, scope and functions of management accounting; Role of Management accounting in decision-making. Management accounting vs. Financial accounting; Tools . and techniques of management : accounting. Financial Statements: Meaning and types of financial statements; Limitations of financial statement. Objectives and methods of financial statements analysis, Ratio analysis.  
Classification of Ratios- Profitability ratios, turnover ratios, liquidity ratios ; Solvency ratios; advantages of ratio analysis; Limitations of accounting ratios.  
Funds Flow Statement, Cash Flow Statement as per Indian Accounting Standard 3.

**Unit-II** Financial Management : Financial goal. Profit vs. Wealth maximization; Financial Functions-investment financing, and dividend decision; Financial planning, over capitalization and under capitalization.  
Capital Budgeting : Nature of investment decisions, investment evaluation criteria; net present value; internal rate of return, profitability index; payback period; accounting rate of return

NPV and IRR comparison, excluding, risk analysis. Leverage: operating, financial and combined

Cost of capital : Significance of cost of, capital; calculating cost of debt; Preference Equity and Retained Earnings; Combined (Weighted) cost of capital.

**Unit-III**      Capital structure theories and determinants.

Dividend Policies: Issues in dividend policies, Walter's Model; Gordon's Model; M.M. Hypothesis; forms or dividends and stability in dividends, determinants.

Management of Working Capital: Nature of Working Capital, Significance of working Capital, operating - cycle and factors determining of working capital requirements. Estimation of working capital. Sources of finance : Short and Long term.

**Suggested Readings:**

1. Arora, M.N. : Cost Accounting: Principles and Practices; Vikas, New Delhi.
2. Jain, S.P & Narang, K.L. Cost Accounting, Kalyani, New Delhi.
3. Anthony, Robert & Reece, et al: Principles of Management Accounting; Richard Irwin Inc.
4. Horngren, Charles, Foster and Datar et al. Cost Accounting - A Managerial Emphasis, Prentice Hall, New Delhi.
5. Khan, M.Y. and Jain; P.K. Management Accounting; Tata McGraw Hill, New Delhi
6. Kaplan; R.S. and Atkinson, A.A: Advanced Management Accounting, Prentice Hall India, New Delhi.

**Paper-IV : Business Environment**

External: 80

Internal Assessment: 20

Time : 3 Hours

**Note: -**      Ten questions shall be set in the question paper at least three questions from each unit. The candidates will be required to attempt five questions in all, selecting at least one question but not more than two from each unit.



- Unit-I**      Business Environment : Concept, components, and importance  
Environmental Scanning Techniques. Special Economic Zones,  
SEBI – Objectives and Functions.  
Economics Systems,  
Economic Planning in India. Five Year Plan & Planning Hoding.  
Economic Trends (overview) : Income; savings end investment;  
industry; Trade and balance of payments, Money; Finance;  
Prices.  
Problems of growth : Unemployment; Poverty; regional  
imbalances; Social Injustice; Inflation, Parallel economy. Industrial  
sickness.
- Unit-II**      Role of Government in Indian Economy : Monetary and fiscal  
Policy; Industrial policy; Industrial Licensing, Privatization;  
Devaluation; Export-Import Policy; Foreign Investment; and  
Collaboration.  
Tenth Five Year Plan : Major policies; resource allocation.
- Unit-III**      International Environment.: International environment  
(overview); : Trends in world trade and the problems of  
developing countries; Foreign trade and economic growth.  
International Economic Institutions- GATT, WTO, UNCTAD;  
World Bank, IMF. Regional Economic Groupings; Meaning,  
Types and Advantages.

**Suggested Readings :**

1. Sundaram & Black : The International Business Environnient; Prentice Hall, New Delhi.
2. Agarwal, A.N. : Indian Economy; Vikas Publishing House, Delhi.
3. Khan, Farooq A.L. : Business and Sociaely; S. Chand, Delhi.
4. Dutt, R. and Sundharam K.P.M: Indian Economy; S. Chand, Delhi.
5. Misra, S.K. and Puri, V.K. Indian Economy; Himalaya Publishing House, New Delhi
6. Hedge Ianl : Environment Economics; MacMillan, Hampshire
7. Dutta Ruddar : Economic Reforms in India - A Critique; S. Chand, New Delhi



## Paper-V (Opt. (i) : Financial Market Operations

External: 80

Internal Assessment: 20

Time :3 Hours

Note: - Ten questions. shall be set in the question paper at-least three questions from each unit. The candidates will be required to attempt five questions in all selecting at least one question but not more than two from each unit.

**Unit-I** An overview of financial markets in India

Money market; Indian Money Market's composition and Structure; (a) Acceptance houses, (b) discount houses, and (c) Call money market; Recent trends in Indian Money Market.

Capital market Security- (a) New issue market, (b) Secondary market; Functions and role of stock exchange, Listing procedure and legal requirements; Public issue-pricing and marketing; Stock exchanges- National Stock Exchange and over the counter exchange.

**Unit-II** Securities Contract and Regulations Act : Main provisions.

Investors Protection: Grievances concerning stock exchange dealings and their removal; grievance cells in stock exchanges; SEBI; Company Law Board; Press; Remedy through courts.

**Unit-III** Functionaries on Stock Exchanges: Brokers, sub-brokers, Market makers, jobbers, portfolio consultants, institutional investors, and NRIs.

Financial Services: Merchant banking-functions and roles, SEBI guidelines; Credit rating-concept, functions and types.

### Suggested Readings :

1. Chandler, M.V. and Goldfeld, S.M. : Economics of Money and Banking; Harper and Row, New York.
2. Gupta, Suraj B. : Monetary Economics; S. Chand and Co., New Delhi.
3. Gupta, Suraj B. : Monetary Planning in India; Oxford, Delhi.
4. Bhole, L.M. : Financial Markets and Institutions; Tata McGraw Hill, New Delhi.
5. Hooda, R.P. : Indian securities Market-investors view point; Excell Books, New Delhi.
6. R.B.I. : Functions and Working.
7. R.B.I. Report on currency and finance.
8. R.B.I. Report of the committee to Review the Working of the Monetary System : Chakravarty Committee.



## Paper-VI Opt. (v) : Advertising and Sales Management

External: 80

Internal Assessment: 20

Time : 3 Hours

**Note:-** Ten questions shall be set in the question paper at least three questions from each unit. The candidates will be required to attempt five questions in all, selecting at least one question but not more than two from each unit.

**Unit-I** Communication Process : Basic communication process, role of source ; Encoding and decoding of message, media, audience, feedback and noise.

Advertising and Communication Mix : Different advertising functions: Types of advertising; Economic and social aspects of advertising; advertising process - an overview, setting advertising objectives and budget.

**Unit-II** Creative aspects of Advertising : Advertising appeals, copy writing, headlines, illustration, message, copy types.  
Advertising : Media; Different types of media; Media planning and scheduling.

Impact of Advertising : Advertising agency roles; relationship with clients, advertising department; Measuring advertising effectiveness; Legal and ethical aspects of advertising.

**Unit-III** Sales Management : Sales Management, Personal Selling and Salesmanship, Organising the sales efforts; Sales force management: Recruitment, Selection, Training, Motivation, Compensating and Controlling sales personnel; Sales Budget, Sales quotas and Sales Territories.

### Suggested Readings :

1. Asker, David and Myers, John G. et al. : Advertising. Management; Prentice Hall of India, New Delhi.
2. Boardel, W.H. : Advertising; John Wiley, N.Y.
3. Ogivy, D Ogivy on Advertising; Longman Publication.
4. Anker Daind A, Batra Rajeev, Myers, G. : Advertising Management; Prentice Hall of India, New Delhi.
5. Sengupta Subroto : Brand Positioning Strategies for Competitive Advantage; Tata McGraw Hill, New Delhi.
6. Coundiff Still and Govani : Sales Management; Prentice Hall, New Delhi.
7. Rorsiter John R., Percy Larry : Advertising and Promotion Management; McGraw Hill, New York.
8. Sundage, Fryburger, Rotzoll : Advertising Theory and Practice : AITBS, New Delhi.
9. Skill, Richards, R., Cundiff, Edwards W. & Gosvani, Norman, A.P.: Sales Management, PM.