

Deccan Education Society's

**Kirti M. Doongursee College of Arts,
Science and Commerce
(AUTONOMOUS)**



Affiliated to

UNIVERSITY OF MUMBAI

Syllabus for

Program: Bachelor of Commerce Course:
S.Y.B.Com.

Subject: Accountancy and Financial
Management-III & IV

Choice Based Credit System (CBCS) with effect
from
Academic Year 2024-25

Deccan Education Society's
Kirti M. Doongursee College (Autonomous)
Proposed Curriculum as per NEP 2020 Year of
implementation- 2024-25

Name of the Department: Accountancy

Semester	Course Code	Course Title	Vertical	Credit
III	24ACCMJ311	Accountancy and Financial Management-Paper III	Major	4
IV	24ACCMJ411	Accountancy and Financial Management-Paper IV	Major	4

Course Code	MAJOR SEM - III	Credits	Lectures/Week
24ACCMJ311	Accountancy and Financial Management-III	4	4
Course Outcomes: After successful completion of this course, students would be able to • CO-1: Understand and Demonstrate the effect of final accounts under the reconstitution of partnership firm (Cognitive level – Remember and Apply) • CO-2: Learn Different method of distribution and pay off liabilities as per the order laid down by Partnership Act. (Cognitive level – Analyze) • CO-3: Exercise provisions of amalgamation of partnership firm and prepare Balance Sheet after the amalgamation by following various accounting treatments (Cognitive level – Understand and Apply) • CO-4: Understand accounting procedure to convert partnership firm / Sole proprietor firm into companies and prepare financial position statement after the conversion (Cognitive level – Apply)			
Unit	Topics	No of Lectures	
I	Partnership Final Accounts based on Adjustment of Admission or Retirement/Death of a Partner during the year i) 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. i) 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. ii) 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 /	15	

	retirement / death takes place in the same year.	
II	Piecemeal Distribution of Cash i) Excess Capital Method only ii) Asset taken over by a partner iii) Treatment of past profits or past losses in the Balance sheet iv) Contingent liabilities / Realization expenses / amount kept aside for expenses and adjustment of actual v) Treatment of secured liabilities vi) Treatment of preferential liabilities like Govt. dues / labour dues etc. Excluding : Insolvency of partner and Maximum Loss Method	15
III	Amalgamation of Firms i) Realization method only ii) Calculation of purchase consideration iii) Journal / ledger accounts of old firms iv) Preparing Balance sheet of new firm v) Adjustment of goodwill in the new firm vi) Realignment of capitals in the new firm by current accounts / cash or a combination thereof Excluding Common transactions between the amalgamating firms	15
IV	Conversion / Sale of a Partnership Firm into a Ltd. Company (i) Realisation method only (ii) Calculation of New Purchase consideration, Journal / Ledger Accounts of old firms. Preparing Balance sheet of new company	15
References: ● Ashish K. Bhattacharyya – “Financial Accounting for Business Managers”, Prentice Hall of India Pvt. Ltd. ● Shashi K. Gupta – “Contemporary Issues in Accounting”, Kalyani Publishers.		

- R. Narayanaswamy – “Financial Accounting”, Prentice Hall of India, New Delhi
- Ashok Sehgal – “Fundamentals of Financial Accounting”, Taxmann’s Publishers

Course Code	MAJOR SEM - IV	Credits	Lectures /Week
24ACCMJ411	Accountancy and Financial Management-IV	4	4
Course Outcomes: After successful completion of this course, students would be able to • CO-1: Remember and Understand different terms in relation to company and company accounts. (Cognitive Level – Remember and Understand) • CO-2: Apply sections and provisions of companies Act in relation to and methods of Redemption of Preference Shares. (Cognitive Level – Apply) • CO-3: Understand and execute various provisions of companies Act in relation to and methods of Redemption of Debentures. (Cognitive Level – Apply) • CO-4: Ascertain various ratios and distribute expenses and incomes in pre and post period to analyze profit or loss before and after incorporation. (Cognitive Level – Analyze)			
Unit	Topics	No of Lectures	
I	Introduction to Company Accounts Introduction of basic terms: Types of companies, nature and formation of companies, Shares, Debentures, Share Capital, Reserves and surplus, types of assets and liabilities, dividend, format of Balance Sheet (Only theory) Issue of shares: Different modes IPO, Private Placements, Preferential, Rights, ESO, SWEAT and ESCROW account, Issue of shares at par, premium and discount, Under subscription and Over subscription of shares, forfeiture and reissue of forfeited shares, issue of shares for consideration other than cash. (Only theory) Issue of Debentures: Types of Debentures, Issue of debentures at par, premium and discount, Issue of Debentures with consideration of Redemption, Issue of debentures for cash receivable in instalments or at a time Issue of debentures for	15	

	Consideration other than cash. (Only theory)	
II	Redemption of Preference Shares Provision of the Companies Act for redemption of Preference Shares (Sec 55 of the Companies Act, 2013), Companies (Share and Debentures) Rules. Methods of Redemption of fully paid-up Preference Shares as per Companies Act, 2013: The proceed of a fresh issue of shares, the capitalization of undistributed profits and a combination of both, calculation of minimum fresh issue to provide the fund for redemption, (Question on entries and/or Balance Sheet) Note: Companies governed by Section 133 of the Companies Act, 2013 and comply with the accounting standards prescribed for them. Hence, the balance in security premium account not to be utilized for premium payable on redemption of preference shares.	15
III	Redemption of Debentures Introduction: Provisions of Section 71 (1) and (4) of the Companies Act, 2013, Creation and investment of DRR including The Companies (Share Capital and Debentures) Rules, 2014, the methods of writing-off discount/loss on issue of debentures; Terms of issue of debentures Methods of redemption of debentures: By payment in lumpsum and by payment in instalments (excluding from by purchase in open market), Conversion. (Question on entries. ledgers and/or Balance Sheet and /or redemption of preference shares)	15
IV	Ascertainment and Treatment of Profit Prior to Incorporation (i) Principles for ascertainment Preparation of separate combined, columnar Profit and Loss A/c including different basis of allocation of expenses and income	15
References: • Introduction to Accountancy T.S. Grewal S. Chand and Co. (P) Ltd.,		

New Delhi

- Advanced Accounts Shukla and Grewal S. Chand and Co. (P) Ltd., New Delhi
- Advanced accountancy R.L. Gupta and M. Radhaswamy S. Chand and Co. (P) Ltd., New Delhi
- Modern Accountancy Mukerjee and Hanif Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Financial Accountancy Lesile Chand Wichk Pretice Hall of India Adin Bakley (P) Ltd.

Evaluation Scheme for Second Year B.Com (UG) under NEP (4 credits)

I. Internal Evaluation for Theory Courses - 40 Marks

1) Continuous Internal Assessment (CIA) Assignment - Tutorial/ Case Study/ Project / Presentations/ Group Discussion / Ind. Visit. – 20 marks

2) Continuous Internal Assessment (CIA) ONLINE Unit Test – 20 marks 30 Minutes

II. External Examination for Theory Courses - 60 Marks

Duration: 2 Hours

Theory question paper pattern:

Question	Based on	Marks
Q.1	Unit I	15
Q.2	Unit II	15
Q.3	Unit III	15
Q.4	Unit IV	15

- All questions shall be compulsory with internal choice within the questions.
- Each Question may be sub-divided into sub questions as a, b, c, d, etc. & the allocation of Marks depends on the weightage of the topic.

NOTE: To pass the examination, attendance is compulsory in both Internal & External (Theory) Examinations.

AC _____ ITEM NO: _____

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Syllabus for

Program: Bachelor of Commerce Course:
S.Y.B.Com.

Subject: Financial Accounting and Auditing V & VI
Introduction to Management Accounting-V
Auditing-VI

Choice Based Credit System (CBCS) with effect
from

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Proposed Curriculum as per NEP 2020 Year of
implementation- 2024-25

Name of the Department: Accountancy

Semester	Course Code	Course Title	Vertical	Credit
III	24ACCMJ312	Financial Accounting and Auditing – V Introduction to Management Accounting	Major	4
IV	24ACCMJ412	Financial Accounting and Auditing – VI Auditing	Major	4

Course Code	MAJOR SEM - III	Credits	Lectures/Week
24ACCMJ312	Financial Accounting and Auditing - V Introduction to Management Accounting	4	4
Course Outcomes: After successful completion of this course, students would be able to • CO-1 : Learn different theoretical aspects of management accounting and recognize comparative study of financial accounting & management accounting (Remember and Apply) • CO-2 : Analyze and interpret Balance Sheet Ratios, Profit and Loss Ratios and Combined Ratios from the financial statements (Understand and Analyze) • CO-3 : Calculate Estimated Working Capital requirements (Apply) • CO-4: Evaluate various alternatives of capital budgeting by adopting various techniques (Analyze)			
Unit	Topics	No of Lectures	
I	Introduction to Management Accounting A. Introduction to Management Accounting – Meaning, Nature, Scope, Functions, Decision Making Process, Financial Accounting V/s Management Accounting B. Analysis and Interpretation of Financial Statements i) Study of Balance sheet and Income statement / Revenue statements in vertical form suitable for analysis ii) Relationship between items in Balance Sheet and Revenue statement iii) Tools of analysis of Financial Statements (i) Trend analysis (ii) Comparative Statement (iii) Common Size Statement Note : (i) Problems based on trend analysis (ii) Short Problems on Comparative and Common sized statements	15	
II	Ratio Analysis and Interpretation (Based on Vertical Form of Financial		

	statements) – Meaning, classification, Du Point Chart, advantages and Limitations) A. Balance Sheet Ratios : i) Current Ratio ii) Liquid Ratio iii) Stock Working Capital Ratio iv) Proprietary Ratio v) Debt Equity Ratio vi) Capital Gearing Ratio B. Revenue Statement Ratio: i) Gross Profit Ratio ii) Expenses Ratio iii) Operating Ratio iv) Net Profit Ratio v) Net Operating Profit Ratio vi) Stock Turnover Ratio C. Combined Ratio : i) Return on capital employed (Including Long Term Borrowings) ii) Return on proprietor's Fund (Shareholders Fund and Preference Capital) iii) Return on Equity Capital iv) Dividend Payout Ratio v) Debt Service Ratio vi) Debtors Turnover Ratio vii) Creditors Turnover Ratio (Practical Question on Ratio Analysis)	15
III	Working Capital Management : (Practical Questions) Concept, Nature of Working Capital, Planning of Working Capital A. Concept, Nature of Working Capital, Planning of Working Capital B. Estimation / Projection of Working Capital Requirement in case of Trading and Manufacturing Organization C. Operating Cycle	15
IV	Capital Budgeting A. Introduction:	

	B. The classification of capital budgeting projects C. Capital budgeting process D. Capital budgeting techniques - Payback Period Accounting Rate of Return Net Present Value The Profitability Index Discounted Payback (Excluding calculation of cash flow) Realisation method only	15
References: • Cost and Management Accounting - Colinn Dury 7th Edition. • Cost and Management Accounting- Dbarshi Bhattacharyya pearson Publications 2013 • Management Accounting - M. Y. Khan • Management Accounting - I. M. Pandey		

Course Code	MAJOR SEM - IV	Credits	Lectures /Week
24ACCMJ412	Financial Accounting and Auditing - VI Auditing	4	4
Course Outcomes: After successful completion of this course, students would be able to • CO-1 : Learn different types of audit and objectives of auditing (Remember and Analyze) • CO-2 : Understand different areas of audit planning, programme and documentation. (Remember and Understand) • CO-3 : Understand internal control system, Internal Audit and Internal Check (Remember and Understand) • CO-4 : Understand the concept of vouching and verification and apply the techniques of auditing. (Understand and Apply)			
Unit	Topics	No of Lectures	
I	Introduction to Auditing A. Basics – Financial Statements, Users of Information, Definition of Auditing, Objectives of Auditing, Inherent limitations of Audit, Difference between Accounting and Auditing, Investigation and Auditing. B. Errors & Frauds – Definitions, Reasons and Circumstances, Types of Error, Types of frauds, Risk of fraud and Error in Audit, Auditors Duties and Responsibilities in case of fraud. C. Principles of Audit, Materiality, True and Fair view D. Types of Audit – Meaning, Advantages, Disadvantages of Balance sheet Audit, Interim Audit, Continuous Audit, Concurrent Audit and Annual Audit, Statutory Audit	15	
II	Audit Planning, Procedures and Documentation A. Audit Planning – Meaning, Objectives, Factors to be considered, Sources of		

	obtaining information, Discussion with Client, Overall Audit Approach B. Audit Program – Meaning, Factors, Advantages and Disadvantages, Overcoming Disadvantages, Methods of Work, Instruction before commencing Work, Overall Audit Approach. C. Audit Working Papers – Meaning, importance, Factors determining Form and Contents, Main Functions / Importance, Features, Contents of Permanent Audit File, Temporary Audit File, Ownership, Custody, Access of Other Parties to Audit Working Papers, Auditors Lien on Working Papers, Auditors Lien on Client's Books.	15
III	Auditing Techniques and Internal Audit Introduction A. Test Check – Test Checking Vs Routing Checking, test Check meaning, features, factors to be considered, when Test Checks can be used, advantages, disadvantages, precautions. B. Audit Sampling – Audit Sampling, meaning, purpose, factors in determining sample size – Sampling Risk, Tolerable Error and expected error, methods of selecting Sample Items Evaluation of Sample Results auditors Liability in conducting audit based on Sample C. Internal Control – Meaning and purpose, review of internal control, advantages, auditors duties, review of internal control, Inherent Limitations of Internal control, internal control samples for sales and debtors, purchases and creditors, wages and salaries. Internal Checks Vs Internal Control, Internal Checks Vs Test Checks. D. Internal Audit : Meaning, basic principles of establishing Internal audit, objectives, evaluation of internal Audit by statutory auditor, usefulness of Internal Audit,	15

	Internal Audit Vs External Audit, Internal Checks Vs Internal Audit	
IV	Auditing Techniques : Vouching & Verification A. Audit of Income : Cash Sales, Sales on Approval, Consignment Sales, Sales Returns Recovery of Bad Debts written off, Rental Receipts, Interest and Dividends Received Royalties Received B. Audit of Expenditure : Purchases, Purchase Returns, Salaries and Wages, Rent, Insurance Premium, Telephone expense Postage and Courier, Petty Cash Expenses, Travelling Commission Advertisement, Interest Expense C. Audit of Assets Book Debts / Debtors, Stocks – Auditors General Duties; Patterns, Dies and Loose Tools, Spare Parts, Empties and Containers Quoted Investments and Unquoted Investment Trade Marks / Copyrights Patents Know-How Plant and Machinery Land and Buildings Furniture and Fixtures D. Audit of Liabilities: Outstanding Expenses, Bills Payable Secured loans, Unsecured Loans, Contingent Liabilities	15
References: ● Auditing Standard by D.S. Rawat; 11th Edition – TAXMANN ● Montgomerys Auditing; 10th Edition – John Wiley & Sons - ● Auditing Techniques; 3rd Edition – S.K.Basu – Dorling Kindersley India Pvt. Ltd. ● Fundamentals of Auditing; 10th Edition – Gupta & Arora – Tata McGraw-Hill Publishing Co. Ltd.		

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