GUJARAT UNIVERSITY

SYLLABUS OF
THIRD YEAR BACHELOR
OF COMMERCE
(T.Y.B.COM)

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Commercial Communication : III
(In force from June : 2005)

No.	Topic	Marks
1.	Press Reports of accidents, natural calamities, speeches and events of commercial imporance	20%
2.	Business Reports :	15%

(By Individuals and committees)

(i) Decline in sales
(ii) Starting a factory
(iii) Opening a branch
(iv) Selecting a building for office purposes
(v) Inspection of Branch/es
(vi) Inquiry into charges leveled against employee
(vii) Demand and grievances of employees
(viii) Accident in factory
(ix) Starting a welfare centre
(x) Taking over of an industrial or business unit.

3. Questionnaires :   15%

Drafting of simple questionnaires, concerning Socio-economic, Commercial and Educational matters.

OR

Essay Writing :

* Essay writing on any current topic of about 300 words.

4. Comprehension of Stock Exchange Report   20%
(Daily & Weekly Reports only)

5. Study of Text.   30%

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New Syllabus : Economics-Paper III
(Money and Finance System)
(Effective from June 2005)

1. **Macro Economics :**

   Introduction Money : Functions, Alternative measures of money supply in India and their different components. Changing relative importance of each.

2. **National Income :**

   Concepts : GNP, NNP, GDP, NDP. Measurements of NI : Income method, Production method, Expenditure method.

3. Inflation. Deflation, Stagflation and devaluation.

4. India Banking system : Unregulated credit market in India.

5. Process of credit creation by bank's credit creation process. Determination of money supply and total bank credit.

6. The Reserve Bank of India : Instruments of monetary and credit control. Evaluation of monetary policy of RBI during planning period.

7. Interest rates : Various types of rates of interest.

8. Fiscal measures of the Govt. of India. Deficit financing in five year plans.

9. International credit institutions.

New Syllabus for Business Organistation Management—III
(Effective June 2005)

1 Production Management :   20%
   — Menaing of Production
   — Types of Manufacturing Process

- Production planning and control Routine, Scheduling, Despatching, follow up
- Purchage function
- Objectives of Purchase function; classification of purchases
- Purchase Procedure
- Centralised V/s Decentralised Purchase
- Inventory Control
- Meaning of Inventory Control Understanding of Inventory control Techniques-Record level; F. O. Q. ABC Analysis.
- Value Analysis
- Statistical Quality control including control charts and acceptance sampling (Examplling not repecton).

II   **Marketlng Management :**   65%
- The marketing function-four 'P's in marketing.
- Different concepts in marketing : Production concept, Product concept, selling concept, Marketing concept, societal marketing concept, core concepts of marketing-Marketing in different demand situations. Market Demand : Estimating, Market : Potential; Methods of forecasting of Demand
  (*Note :* Examples on measurement and forecasting not expected)
- Product-concept of product, product line and product mix-Product Life Cycle and appropriate strategies for different stages of product life cycle.
  Consumer markets and consumer behaviour :
- Major factor influencing consumer behaviour the Buying decision process
- market segmentation meaning importance, bases market targeting; product Positioning
- Branding-types of branding and importent, decisions in branding.
- Packaging-functions and use fulness
  (*Note :* Types of packaging not expected)
- Pricing-objectives-cost oriented, demand, oriented and competition-oriented pricing
- Promotion mix in marking
- Advertising-objectives, message, media
- Selection of message and mediu, evaluating, advertising of effectiveness
- Publicity-meaning, objectives, importance
- Sales promotion-Types, tools and objectives of sales promption for consumer goods
- Public relations-tools and decisions
- Personal selling-Meaning, functions, process
- Physical Distribution-Retailing and wholesaling their nature, importance, markrting decisions for the same
- Physical distribution-nature, objectives order processing, warehousing, inventory
- Transportation-organisational responsibility.

III (I)   **Management of change :**   15%
     Concept, nature and process of planned change, Resistance to change
   (ii)   Enterpreneurship : Definition and meaning & enterpreneur (Leadership, risk taking, Decision making and Business Planning)

Note : of the five questions one question may cover topics from both production management and marketing Management.

Reference Books

Production Management-B. Poom (D. B. Taraporevede & Sons)
Manufacturing Management-Moore (D. B. Taraporewala & Sons)
Statistical Quality Control-Grant & Leaven werth (McGraw Hill)
Manufacturing organisation & Management, Amrine, Ritchej, Hulley (Prantice Hall of India)
- Marketing Management-kotler (Prentice Hall of India)
- Fundamentals of Marketing by Stanton (Tata McGraw).

Note : Now the allocation of marks will be :

Group - I Production Management	20%
Group - II Marketing Management	65%
Group - III Management of Change	15%

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T. Y. B. Com. (Compulsary Paper)
New Syllabus : 2005
BUSINESS STATISTTICS

1. 1.1 **Co-Ordinate Geometry :**   20%

Definition of Slope, intercept, Conditions for parallel and perpendicular lines, Distance between two Points.

Equation of a straight line in the following forms :

(i) $y = mx + c$

(ii) $y - y_1 = m (x-x_1)$

(iii) $\dfrac{y - y_1}{y_1 - y_2} = \dfrac{x - x_1}{x_1 - x_2}$.

(iv) $Ax + By + C + 0$

(v) $\dfrac{x}{a} + \dfrac{y}{b} = 1$

Simple illustrative examples.

1.2 Matrix Algebra :

Definition of a matrix - Different types of a matrices - Properties of matrices - Determinant of a square matrix - Inverse of a matrix - solution of Simultaneous liner equation by using inverse (upto 3 variables only) Business applications.

2. 2.1 **Correlation (For Two Variables) :**   20%

Concept of correlation - correlation coeficient properties - Scatter diagram-Karl Pearson's and Spearman's ramk correlation coefficient - Coefficient of Determination and its interpretation-correlation coefficient for Bi-variate table - intraclass correlation coefficient.

2.2 Regression (For Two Variables)

Concept of Regression - Two lines of regression - Properties of regression coeffcients - Fore casting on the basis of regression equation - Regression equation pertaining to linear model in the form $Y = \alpha + \beta x + U$ and relevant properties.

2.3 Association of Attributes :

Meaning and Criteria of independence and association of attributes - Association in 2×2 contingency tables only. Yule's coefficient of association consistency of data and conditions for consistency.

3. 3.1 **Time Series Analysis :**   20%

Components of a timeseries - Determination of trend by graphical, moving averagre and least squares methods - To Separate seasonal component by using seassonal indices. and seasonal variation by moving avg. method with examples.

3.2 Business Forecasting Methods :

Forecasting concept, types and importance - General approach to forecasting, Methods of forecasting, Forecasting demand, Industry verses company sales forecasts, Factors affecting company sales - Graphical method - Liner and parabolic trend - Exponetial Smoothing method.

4   4.1 **Interpolation and Extrapoltion :**   20%

Meaning and scope for interpolation and extrapolation. Understanding of the operators Δ, E and D, Newton's method, Lagrange's method.

4.2 Demographic Methods   20%

Meaning and scope of Demography - Crude, standard and Agespecific rates -

Mortality rates pertanining to (i) CDR (ii) SDR (iii) IMR -

Birth rates pertaining to (i) CBR (ii) SBR (iii) Age specific BR

Fertility rates pertaining to (i) GFR (ii) ASFR (iii) TFR simple illestrative examples.

5. **Operations Research**   20%

5.1 Meaning of O.R. - Characteristics of O.R. - Importance of O.R. in Business and Commerce.

5.2 Formulation of linear programming problem - solution of L.P.P. by graphical method.

5.3 Transportation problem - Methods of obtaining initial b.f.s. of T.P.P.

5.4 Assignment problem - Solution by Hungarian method.

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Business Law
(Effective from June 2005)

1. The Indan Contract Act, 1872.
2. The Sale of Goods Act, 1930, excluding sections relating in suits for branch of contracts and miscellaneous provisions.
3. The Indian Partnership Act, 1932.
4. The Negotiable Instruments Act, 1881. Chapter I to IV (Section 1 to 60) and Sec. 118.
5. The Companies Act, 1956. Provisions relating to formation of Companies-Memorandum and Articles of Association, Prospects, Directors and Private Companies.
6. The Trade Union Act, 1926. Provisions relating to registration of trade unions and rights and liabilities of such trade unions.
7. The Industrial Disputes Act, 1947 :
   (a) Industrial Disputes
   (b) Provisions relating to settlment of disputes by concialiation
   (c) Provisions relating to reference to Industrial disputes to Courts of Tribunal for Adjudication.
   (d) Powers of the courts and tribunals on reference.
8. The Consumer Protection Act, 1986 : Salient features; Definition of Consumer; Grievance Redressal Machinery.

Allocation of marks :
1. Indian Contract Act, 1872
   The Sale of Goods Act, 1930   55%
   The Indian Partnership Act, 1932
2. The Negotiable Instruments Act, 1881   10%
3. The Comparies Act, 1956   15%
4. The Trade Unions Act, 1926
5. The Industrial Disputes Act, 1947, The Consumer Protection Act, 1986   ____

                                                                                      100%

Advanced Accounting & Auditing Paper—IV
(Effective from June : 2003)

(I) Cost Accounting :   60%
  1. **Process Costing :**
     (i) Features of process costing, Accounting for waste or loss in process-Normal loss, Abnormal loss/Gain.
     (ii) Joint-products and by-products : Methods of costing of joint products (a) Physical Measurement (Units) basis of appointment (b) Relative sales value method of apportionment (c) Relative sales-value minus further processing cost method of apportionment (d) Weighted average method of apportionment.
     Method of costing of by-products : (a) costing of by-products on the basis of market value (b) comparative price at standard cost where by-products are not of significant value.
     (iii)Transfer pricing : At actual or at cost plus profit inter process profit and provision of unreleased profit.
     (iv)Process costing : Where process/process's are not completed. Ascertainment of Equivalent production apportionment of costs and evaluation under FIFO and average cost method.
  2. **Uniform Costing :**
     The development-requirements-advantages & limitation (only in theory)
  3. **Marginal costing and EEP Analysis :**
     (i) Concept of Marginal Cost : Marginal variable and Absorption costing; Advantages of marginal costing technique. Assumptions of marginal costing.
     (ii) Break-even Analysis : Analysis with any one limiting factor only; simple Break-even charts and profit volume chart.

Note : Problems involving differential cost analysis and decision making are not expected.

4. **Standard Costing :**

(i) Definition of Standard, Standard Cost and Standard Costing, Standard Absorption Costing and Standard Marginal Costing, Standard Cost Card, Setting Standards, Advantages and Limitation of standard Costing.

(ii) Standard Costing and Budgetary Control; Analysis of Variances; types of variances and their brief explanation Computation of following variances : (a) Material Price (b) Material Usage (c) Material Mix (d) Material Yield (e) Labour Rate (f) Labour Efficiency (g) Idle Time (h) Labour Mix and (i) Revised Labour Efficiency.

Note : Problems for finding out variances directly are expected and problems involving finding of the missing values are not expected.

5. **Budgetary Control :**

(i) Introduction, Procedure of setting up Budgeting control; preparation of various Budgets (in Theory only).

(ii) Problems on preparation of sales budget and Cash Budget only.

(II) Management Accountancy : [40%]

(i) Introduction to Management Accountancy.

(ii) Analysis and Interpretation of Financial Statements : Concept and nature of financial statements, Types of financial Statements; Brief idea about the methods used in analysis financial statements; (a) Comparative Financial and operating statements (b) Statement of charges in working capital (c) Trend Percentages (d) Common size Statements (e) Ratio analysis (f) Funds-flow and cash flow Analysis.

(iii) Ratio Analysis :

(a) Computation of the following ratios and their brief interpretation :

(1) Gross Profit Ration (2) Net Profit Ration (based on Profit after tax) (3) Expense Ratio (4) Operating Ratio (5) Current Ration (6) Liquid Ration and Acid test or Quick Ratio (7) Turnover Ratios : (i) Stock Turnover (ii) Debtors Turnover (iii) Creditors Turnover (iv) Asset Turnover (8) Debt-equity Ration (9) Debt service coverage Ratio (10) Return on Capital Empliyed (11) Return on Shareholders' Funds (based on PAT) (12) Capital Gearing Ratio.

(b) Limitations of Ratio Analysis

(iv) (a) Funds Flow Analysis and Cash Flow Analysis -Distinction between Cash flow and Fund flow.

(b) preparation of Cash Flow Statement accounting to Indian Accounting Standard-3

Note : (1) Preparation of Projects cash flow Statements is not expected

(2) Only simple problems are expected on Cash Flow statement and Analysis, Problems involving points like purchase of business, revaluation of assets, forfeiture and reissue of shares; dividend out of pre-acquisition profits etc. are not expected in these chapters.

(3) Preparation of Balance sheet and P&L A/c from given ratios is not expected.

Advanced Accounting & Auditing Paper—V
(Effective from June : 2005)

(1) Financial Accounting [50%]

(1) Amlagamation, Aborption and Reconstruction of Companies (excluding inter company holding of Shares)

*Concept of Mergers and Takeovers

(2) Valuation of Goodwill and Shares 20%

Note : Necessary data must be provided by the paper setter in such a way that any assumptions on part of the students are not required.

(3) Accounts of Banking Companies

(i) Some relevant provcisions of Banking Act 1949 as under :

(a) Meaning of banking (Sec. 5(b)

(b) Prohibition of Trading (Sec. 8)

(c) Disposal of non-banking assets (sec.9)

(d) Capitial & Reserve (Sec. 11)

(e) Reserve Funds (sec. 17)

(f) Restriction as no payment of dividend

    (g) Cash Researves (sec 18)

    (h) Liquidity norms (sec 24)

    (i) Restriction on acquisition of shares in other company

    (j) Resetriction on loans and advances (sec 20)

    (k) Unclaimed deposits (sec 26)

    (l) Accounts and audit (sec 29 to 34A)

(ii) Main characteristics of a bank's bookkeeping slip system and new revised form of Balance sheet and profit and loss account.

(iii) Income recognition; Classification of Bank Advances on the basis of asset performance for determining loss provisions; Classification of investments.

(iv) Some special transactions of Banks;

    * Functions of a Commercial Bank

    * Discounting and Collections of Bills (including its accounting treatment)

    * Acceptances and endorsements

(v) Statutory liquidity ratio and cash reserve ratios for scheduled commercial Bank

(vi) Simple Problems on preparation of Banks final accounts (excluding schedules)

    Note : Problems involving computation are not expected pertaining to any of the topics in (i) to (ii) and (iii) above.

(I) Auditing   [50%]

  (1) Company Audit :

    (a) Preparation before commencing audit of a limited company.

    (b) Importance of different documents such as Memorandum of Association Articles of Association propspectus, Minutes Book, Preliminary Contracts.

    (c) Audit of share capital :

      (i) Issue of shares at par, at permium, at discount, Issue and redemption of redeemable perference shares. Issue of right shares.

      (ii) Issue of shares for consideration other than case, bonus shares, issue of shares in conversion of debentures; bonds and issue of shares for any other consideration.

      (iii) Shares forfeiture reissue.

      (iv) Share transfer audit.

    (d) Satutory Audit

    (e) Auditors duties regarding distribution of dividend

(2) Auditor's Report/Certificate :

Inprtance- Legal requirements- Difference between auditor's report and certificate; clean and qualified report; concept of "True and Fair" in auditor's report; concept of Manufacturing and other companies audit other 1975.

(3) Divsible Profits :

Meaning and Importance-legal provisions under Companies Act.

(4) Depreciation :

Legal provisions under Companies Act—Auditor's duties regarding depreciation.

(5) Reserve & Provisions :

General reserve and specific reserve - Distinction between Reserve and provisions and capital reserve & reserve capital, Secret Reserve - Legal provisions and Auditor's duties.

(6) Investigations :

    (a) Meanining and Needs : differences between Audit & Investigation

    (b) Investigation under Companies Act

    (c) Investigation for purchase of business

    (d) Investigation for granting of as a loan

    (e) Investignation in case of declining profits

    (f) Investigation in case of suspected frauds

    (g) Audit programmes of :

      1.1 Hospital run by Public Charitable Trust

      1.2 Educationl Institutions

      1.3 Partership firm

1.4 Manufacturing Unit

(h) Cost Audit : Meaning - Scope-uses legal provisions

(i) Tax Audit : Legal provisions.

Notes : (1) Sections : I and II are independent sections and under any scheme of paper setting , both the sections will have to be treated separatly and questions from one section cannot be set in option to questions from other section .

(2) One objective question should be set from section : II which will carry 20% marks of that section.

(3) Answers to objective question must be supported by logical resoning explanation or relevant legal provision.

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New Syllabus : 2005
ADV. STATISTUCS—IV

1. **Compound Interest and Annuities :**   **20%**

Different types of interest rates, concept of present value and amount of a sum, Types of annuities, present value and amount of an annuity, including in the case of continuous compounding, valuation of simple loans and debentures, problems relating to sinking funds.

2. **2.1 Multiple and Partial correlation and Regression :**   **20%**

Definition and concept of partial and multiple correlation involving three variables only - Derivation of $r_{12.3}$, $r_{23.1}$, $r_{31.2}$, $b_{12.3}$, $b_{13.2}$, $R_{1.23}$, $n_{1.23}$. Coefficient of multiple determination - Derivation for the line of regression of x_1, on x_2 and x_3, - Tests of significance for multiple and partial correlation coefficients - Numerical examples.

2.2 Non-linear regression :

Fitting a polynomial trend upto third degree - Fitting of the curves like (i) $y = ab^x$ (ii) $y = ae^{bx}$ (iii) log $y = a + bx$ (iv) $y = a + b$ log x.

Fitting of Gompertz and Logistic curves.

3. **3.1 Analysis of Variance :**   **20%**

ANOVA techniques for one way and two way classification with simple illustrations.

3.2 Elements of Design of Experiments :

Concepts of randomisation and local control - Complete Randomised Design - Randomised Block Design - Latin Square design - Analysis of CRD, RBD and LSD when one observation is missing - Efficiency of RBD over CRD Efficiency of LSD over CRD and RBD.

4. **4.1 Non-Parametric Tests :**   **20%**

Meating - Importance of NP test - Sign test, Median Test, Run Test, Mann-Whitnev's test - Wilcoxon's test - (study of these test without derivation) - Simple illustrative examples.

4.2 Sequential Probability Ratio test

Concept - Method of SPR test - O. C. function, O. C. curve, ASN function, ASN curve, (Without derivation) Application of SPR test for Binomial, Poisson and Normal distributions only.

5. **Computer Programming**   **20%**

Preliminary concepts of algorithm, flowcharts and their execution, general introduction of computers : elementary idea about compiler and operating systems. Representation for characters and numbers.

Introduction to BASIC language : Constants and variables, arithmetic expressions, I/O statements, control statement subscribted variables. Simples on programming.

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New Syllabus : 2005
STATISTICAL TECHNIQUES -V

1. **Statistical Decision Theory**   **20%**

Basic Structure of decisions - Classical basis of pay off matrix models, Pay off matrix under conditions of risk, expected value - Maxi-min, Maxi-max, Maxi - Max, Horwitch and Laplace Criteria, EMV, and EVPI Criteria - Simple illustrative examples.

2. **2.1 Economic Models**   **20%**

Classical models - Structural equations and Structural parameters of the model - Liner Homogenous equation system - study of (i) Price determination model and (ii) Income Determination model.

2.2 Distribution of Income

Concept of Income Distribution models - Study of Pareto's income distribution - Analysis and Interpretation with special refence to India - Lorentz curve of Concentration - Fitting of Pareto and Lorentz curves to numerical data.

3. **3.1 Inventory Control**   **20%**

Inventory systems - Costs associated with inventory system - classical EOQ model with its derivation - sensitivity analysis for EOQ model - Graphical Interpretation. Economic Lotsize model under finte production rate - Lotsize model when the shortages are allowed under backorder policy - ABC and VED analysis of inventory.

4. **4.1 Demand Analysis**   **20%**

Demand and Supply functions - Market equilibrium Effect of taxation and subsidy - Maeginal, Average annd Revenue function and curves - Elasticities of demand and supply - Properties and relationships - Utility function - Utility Index - Ordinary and Compensated demand functions.

4.2 Monopoly and Duopoly Problems

Discussion of monopoly problem - Classical duopoly problem - Comparison of duopoly and monopoly situations under given conditions - simple illustrative examples.

5. **5.1 Cost Function**   **20%**

Longrun and Short run cost functions - A. C., M. C. and T. C. functions and curves -Elasticites of T. C. and A.C. - classicl cost minimisation approach.

5.2 Production functions.

Concept of Production function - Isoquants - Study of Cobb - Douglass production function · Elasticity of Substitution of factors of Production.

5.3 Input Output Analysis

Leontief's Static open model - Importance and applications of the model - simple illustrations.