

Academic Year 2021-2022

Shiv Nadar University Chennai Entrance Examination to the B Com and B Com (Professional Accounting) Degree Programs

Syllabus for paper on Accountancy

- 1. Theory Base of Accounting:** Fundamental accounting assumptions: GAAP: Concept - Business Entity, Money Measurement, Going Concern, Accounting Period, Cost Concept, Dual Aspect, Revenue Recognition, Matching, Full Disclosure, Consistency, Conservatism, Materiality and Objectivity - System of Accounting. Basis of Accounting: cash basis and accrual basis - Accounting Standards: Applicability in IndAS - Goods and Services Tax (GST): Characteristics and Objective
- 2. Depreciation, Provisions and Reserves:** Depreciation: Concept, Features, Causes, factors - Other similar terms: Depletion and Amortisation - Methods of Depreciation: Straight Line Method (SLM) - Written Down Value Method (WDV) - Difference between SLM and WDV - Advantages of SLM and WDV - Accounting treatment of depreciation Provisions and Reserves: Difference - Types of Reserves: Revenue reserve - Capital reserve - General reserve - Specific reserve - Secret Reserve - Difference between capital and revenue reserve
- 3. Accounting for Bills of Exchange:** - Bill of exchange and Promissory Note: Definition, Specimen, Features, Parties - Difference between Bill of Exchange and Promissory Note - Terms in Bill of Exchange: Term of Bill - Accommodation bill (concept) - Days of Grace - Date of maturity - Discounting of bill - Endorsement of bill - Bill after due date - Negotiation - Bill sent for collection - Dishonour of bill - Retirement of bill - Renewal of bill - Accounting Treatment
- 4. Financial Statements:** Meaning, objectives and importance; Revenue and Capital Receipts; Revenue and Capital Expenditure; Deferred Revenue expenditure. Trading and Profit and Loss Account: Gross Profit, Operating profit and Net profit. Preparation. Balance Sheet: need, grouping and marshalling of assets and liabilities - Preparation. Adjustments in preparation of financial statements on closure of books. Preparation of Trading and Profit and Loss account and Balance Sheet of a sole proprietorship with adjustments
- 5. Accounting from Incomplete Records:** Features, reasons and limitations. Ascertainment of Profit/Loss by Statement of Affairs method. Difference between accounts from incomplete records and Statement of Affairs. Preparation of Trading, Profit and Loss account and Balance Sheet

6. **Financial Statements of Not-for-Profit Organization:** Not-for-profit organizations: concept - Receipts and Payments Account: features and preparation - Income and Expenditure Account: features, preparation of income and expenditure account and balance sheet from the given receipts and payments account with additional information
7. **Accounting for Partnership Firms:** Partnership: features, Partnership Deed - Provisions of the Indian Partnership Act 1932 in the absence of partnership deed - Fixed v/s fluctuating capital accounts. Preparation of Profit and Loss Appropriation account- division of profit among partners, guarantee of profits - Past adjustments Goodwill: nature, factors affecting and methods of valuation – average profit, super profit and capitalization. Treatment of goodwill, assets and liabilities revaluation on Reconstitution and Dissolution -. Admission of a partner. Retirement and death of a partner. Dissolution of a partnership firm: meaning of dissolution of partnership and partnership firm, types of dissolution of a firm. Settlement of accounts – preparation of realization account, and other related accounts:
8. **Company Accounts**
- Accounting for Share Capital:** Share and share capital: nature and types - Accounting for share capital: issue and allotment of equity and preferences shares. Public subscription of shares , issue of shares for consideration other than cash - Concept of Private Placement and Employee Stock Option Plan (ESOP) - Accounting treatment of forfeiture and reissue of shares - Disclosure of share capital in the Balance Sheet of a company
- Accounting for Debentures:** Debentures: Issue of debentures at par, at a premium and at a discount. Issue of debentures for consideration other than cash; Issue of debentures with terms of redemption; debentures as collateral security concept, interest on debentures. Writing off discount / loss on issue of debentures - Creation of Debenture Redemption Reserve.
- Financial statements of a Company:** Statement of Profit and Loss and Balance Sheet in prescribed form with major headings and sub headings (as per Schedule III to the Companies Act, 2013)
9. **Financial Statement Analysis:** Objectives, importance and limitations - Tools for Financial Statement Analysis: Comparative statements, common size statements, cash flow analysis, ratio analysis - Accounting Ratios: Meaning, Objectives, classification and computation - Liquidity Ratios: Current ratio and Quick ratio - Solvency Ratios: Debt to Equity Ratio, Total Asset to Debt Ratio, Proprietary Ratio and Interest Coverage Ratio - Activity Ratios: Inventory Turnover Ratio, Trade Receivables Turnover Ratio, Trade Payables Turnover Ratio and Working Capital Turnover Ratio - Profitability Ratios: Gross Profit Ratio, Operating Ratio, Operating Profit Ratio, Net Profit Ratio and Return on Investment.

10. Computerised Accounting: Overview of Computerised Accounting System - Structure of CAS - Software Packages: Generic; Specific; Tailored - Application in generating accounting information , Steps in installation of CAS, codification and Hierarchy of account heads, creation of accounts- Data: Entry, validation and verification - Adjusting entries, preparation of balance sheet, profit and loss account with closing entries and opening entries - Need and security features of the system - Database Management System (DBMS) - Concept and Features of DBMS - DBMS in Business Application - Generating Accounting Information – Payroll.

SYLLABUS FOR SUBJECT 'COMMERCE' / 'BUSINESS STUDIES'

- 1. Forms of Business Organizations:** Sole Proprietorship-Concept, merits and limitations - Partnership - Concept, types, merits and limitation of partnership, registration of a partnership firm, partnership deed. Types of partners Partnership vs. Limited Liability Partnership (LLP) – HUF - Cooperative Societies-Concept, merits, and limitations - Company - Concept, merits and limitations; Types: Private, Public and One Person Company – Concept Private Company vs. Limited Liability Partnership (LLP) - Formation of company - stages, important documents to be used in formation of a company
- 2. Emerging Modes of Business:** E-business: concept, scope and benefits - business Process Outsourcing (BPO): Concept, need and scope
- 3. Social Responsibility of Business and Business Ethics:** Concept of social responsibility - case for social responsibility - Responsibility towards owners, investors, consumers, employees, government and community - role of business in environment protection - Business Ethics - Concept and Elements
- 4. International Trade:** International trade: concept and benefits - Export trade – Meaning and procedure - Import Trade - Meaning and procedure - Documents involved in International Trade; indent, letter of credit, shipping order, shipping bills, mate's receipt (DA/DP) - World Trade Organization (WTO) meaning and objectives
- 5. Business Environment:** Business Environment - concept and importance - Dimensions of Business Environment - Impact of Government policy changes on business with special reference to liberalization, privatization and globalisation in India
- 6. Principles of Management:** Principles of Management - concept, nature and significance - Fayol's principles of management - Taylor's Scientific Management - principles and techniques **Planning:** Concept, importance and limitations - Planning process - Single-use and Standing Plans **Organising:** Concept and importance - Organizing Process - Structure of the organization - Formal and informal organization - Delegation: concept, elements and importance - Decentralization: concept and importance. **Staffing:** Concept and

importance of staffing - Staffing as a part of Human Resource Management - Staffing process: Recruitment - sources; Selection – process - Training and Development

Directing: Concept and importance - Elements of Directing - Supervision

Motivation – Leadership – Communication **Controlling:** Concept, nature and importance - Relationship between planning and controlling - Steps in the process of control.

Marketing Management: Marketing - concept and functions - Marketing management philosophies - Marketing Mix - Physical distribution – Promotion

7. **Financial Markets:** concept and types - Money market and its instruments - Capital market and its types - Stock Exchange - Securities and Exchange Board of India (SEBI) - objectives and functions
8. **Sources of Business Finance:** Concept of business finance - Owners' funds - equity shares, preference share, retained earnings, Global Depository receipt (GDR), American Depository Receipt (ADR) and International Depository Receipt (IDR) – concept - Borrowed funds: debentures and bonds, loan from financial institution and commercial banks, public deposits, trade credit, Inter Corporate Deposits (ICD) sources of finance for a company – shares – debentures – long term sources of capital – loan capital – equity shares – preference shares – bonus shares – debentures – loans from financial institutions – short term sources of finance

Syllabus for paper on Economics

1. Microeconomics

Unit 1: Introduction

Meaning of microeconomics and macroeconomics; positive and normative economics What is an economy? Positive and normative approach, Central problems of an economy: what, how and for whom to produce; concepts of production possibility frontier and opportunity cost.

Unit 2: Consumer's Equilibrium and Demand

Consumer's equilibrium - meaning of utility, marginal utility, law of diminishing marginal utility, conditions of consumer's equilibrium using marginal utility analysis. Indifference curve analysis of consumer's equilibrium-the consumer's budget line, preferences of the consumer (indifference curve) and conditions of consumer's equilibrium. Demand, market demand, determinants of demand, demand schedule, demand curve and its slope, movement along and shifts in the demand curve, price elasticity of demand.

Unit 3: Producer Behaviour and Supply

Meaning of Production Function – Short-Run and Long-Run Total Product, Average Product and Marginal Product. Returns to a Factor Cost: Short run costs - total cost, total fixed cost, total variable cost; Average cost; total, average and marginal revenue - Producer's equilibrium- Supply, market supply, determinants of supply, supply schedule, supply curve and its slope, movements along and shifts in supply curve, price elasticity of supply; Forms of Market and Price Determination under; Determination of market equilibrium and effects of shifts in demand and supply.

2. Macroeconomics

Unit 1: National Income and Related Aggregates

What is Macroeconomics? Basic concepts in macroeconomics: consumption goods, capital goods, final goods, intermediate goods; stocks and flows; gross investment and depreciation. Circular flow of income (two sector model); Methods of calculating National Income - Value Added or Product method, Expenditure method, Income method. Aggregates related to National Income: Gross National Product (GNP), Net National Product (NNP), Gross Domestic Product (GDP) and Net Domestic Product (NDP) - at market price, at factor cost; Real and Nominal GDP. GDP and Welfare

Unit 2: Government Budget and the Economy

Government budget - meaning, objectives and components. Classification of receipts - revenue receipts and capital receipts; classification of expenditure – revenue expenditure and capital expenditure. Measures of government deficit - revenue deficit, fiscal deficit, primary deficit their meaning.

Unit 3: Balance of Payments

Balance of payments account - meaning and components; balance of payments deficit meaning. Foreign exchange rate - meaning, components; foreign exchange – meaning, determination of exchange rate (Flexible).

3. Indian Economic Development

Unit 1: Development Experience (1947-90) and Economic Reforms since 1991:

Indian economic system and common goals of Five Year Plans. Main features, problems and policies of agriculture (institutional aspects and new agricultural strategy), industry (IPR 1956; SSI – role & importance) and foreign trade. Economic Reforms since 1991, Concepts of demonetization and GST

Unit 2: Current challenges facing Indian Economy

Poverty- absolute and relative; Main programmes for poverty alleviation: A critical assessment; Human Capital Formation: How people become resource; Role of human capital in economic development; Growth of Education Sector in India Rural development: Key issues - credit and marketing - role of cooperatives; agricultural diversification; Growth and changes in work force participation rate in formal and informal sectors; problems and policies Infrastructure, Sustainable Economic Development: Meaning, Effects of Economic Development on Resources and Environment, including global warming

Unit 3: Development Experience of India:

A comparison with neighbours India and Pakistan India and China Issues: economic growth, population, sectoral development and other Human Development Indicators. Post-Independence era; Banking : Commercial Banking ; Functions of Commercial Banking ; Role of Commercial Banking in Economic Development; Co-operative Banking : Primary Co-operative Societies; Central Cooperative Societies; State Co-operative Societies; National Bank for Agricultural and Rural Development (NABARD) - Micro Financial Institutions -Role of Public Sector Banks - Reserve Bank of India (RBI) -Role and functions of RBI in Economic Development;

4. Statistics for Economics

Unit 1: Collection, Organisation and Presentation of data

Collection of data - sources of data - primary and secondary; how basic data is collected with concepts of Sampling; methods of collecting data; Meaning and types of variables; Frequency Distribution. Tabular Presentation and Diagrammatic Presentation of Data: (i) Geometric forms (bar diagrams and pie diagrams), (ii) Frequency diagrams (histogram, polygon and Ogive) and (iii) Arithmetic line graphs (time series graph).

Measures of Central Tendency- Arithmetic mean, median and mode Measures of Dispersion - Correlation – meaning and properties, scatter diagram; Measures of correlation -

Unit 2: Introduction to Index Numbers

Meaning, types - wholesale price index, consumer price index and index of industrial production, uses of index numbers, Inflation and index numbers.

Syllabus for paper on Mathematics

1. Matrices & determinants

Matrices-types of matrices-Operations-Determinants – properties of determinants- consistency and inconsistency, solution of system of equations – inverse of a matrix- rank.

2. Algebra

Permutation and Combination, Binomial Theorem & Mathematical Induction.

3. Analytical Geometry

Straight Lines, Circles, and conics.

4. Trigonometry

Ratios, Compounded angles, Inverse trigonometric functions.

5. Differential Calculus

Limits and Continuity, Differential techniques, Maxima and Minima

6. Linear Programming

Formulation.

7. Probability and Statistics

Probability Basics – conditional Probability – total probability – Baye's theorem – Random variable – Bernoulli Distribution and Binomial Distribution. Measure of Central Tendency, Measure of Dispersion.

8. Integral Calculus –

Evaluation- substitution, partial fractions, integration by parts, Definite integrals as a limit of a sum. Properties of definite integrals- Applications of integrals in finding area.

9. Differential equations –

Order, degree - Solution of homogenous equation of first order and first degree, method of separation of variables.