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SATAVAHANA UNIVERSITY
KARIMNAGAR

DEPARTMENT OF COMMERCE

2nd Year
B. Com Syllabus

W.e.f. Academic Year 2013-14

SATAVAHANA UNIVERSITY, KARIMNAGAR

Department of Commerce

B.Com Specialisation wise 2nd Year Papers

Specialisation	Exam Duration 3 hrs			
	Paper Number			
	201	202	203	204
B.Com (General)	AAC (70+30) PPW 6(5+1)	BST (70+30) PPW 5 (4+1)	FSBI (70+30) PPW 5 (4+1)	TAX (70+30) PPW 5 (4+1)
B.Com (General with Marketing Electives)	AAC (70+30) PPW 6(5+1)	BST (70+30) PPW 5 (4+1)	FSBI (70+30) PPW 5 (4+1)	TAX (70+30) PPW 5 (4+1)
B.Com. (Computer Application)	AAC (70+30) PPW 6(5+1)	BST (70+30) PPW 5 (4+1)	ECOM (70+30) PPW 5 (4+1)	BDPS (70+30) PPW 5 (4+1)
B.Com. (Taxation)	AAC (70+30) PPW 6(5+1)	BST (70+30) PPW 5 (4+1)	FSBI (70+30) PPW 5 (4+1)	TAX MNGT& TAX PLANNING (100) PPW 5

Note : 1. Maximum Marks allocated for each paper are given in parentheses; 70 Marks for Theory and 30 Marks for Computer practical and Commerce Lab Practical.

2. One hour theory classes equal to two computer/ commerce Lab hours

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Department of Commerce B.Com 2nd Year

Paper –201: ADVANCED ACCOUNTING (Common Paper to All Streams)

Max. Marks: 70T + 30P= 100

P.P.W: 6(5+1)

Time: 3 Hours

Objectives:

1. To appraise the students about the application of accounting knowledge in special business activities.
2. To impart the skills of preparation of final accounts of non- trading concerns, partnership, organizations.
3. To develop the skills of recording of transactions relating to issue of shares and debentures, branches and departments manually and using computers.

UNIT-I: Accounts from Incomplete Records - Hire Purchase and Installment Purchase System:

Single Entry: Features – books and accounts maintained - Recording of transactions - Ascertainment of Profit (Statement of Affairs method only).

Hire Purchase System: Features – Accounting Treatment in the Books of Hire Purchaser and Hire Vendor - Default and Repossession.

Installment Purchase System: Difference between Hire purchase and Installment purchase systems - Accounting Treatment in the books of Purchaser and Vendor.

UNIT-II: Branch and Departmental Accounts:

Dependent Branches: Features - Books of accounts - Methods of accounting of dependent branches: Debtors System, Stock and debtors system.

Computer lab work: Recording of transaction relating to branch accounts using computers.

Departmental Accounts: need, features, Basis for allocation of expenses, treatment of inter - departmental transfer at cost or selling price -Treatment of Expenses that cannot be allocated – Preparation of departmental profit and loss.

UNIT-III: Accounting of Non-Profit Organizations:

Non-Profit Entities: Features of non - profit entities – Accounting process - Preparation of summaries -Receipts and Payments Account: Meaning and special features - Procedure for preparation - Uses and limitations.

Income and Expenditure Account: Features - Procedure for preparation - Preparation of Balance Sheet.

UNIT-IV: Partnership Accounts:

Legal provisions in the absence of Partnership Deed - Fixed and Fluctuating Capitals – Preparation of final accounts – Accounting Treatment of Goodwill and Admission of a partner.

Accounting treatment of Retirement and Death of a Partner - Dissolution of Firm (Excluding Sale to Firm, Company and Amalgamation).

Computer lab work: Recording of partnership transaction and preparation of final accounts using computers.

UNIT-V: Company Accounts:

Issue of Shares at Par, Premium and at Discount - Forfeiture and Reissue of Shares - Rights issue - Underwriting of issue of shares (Simple Problems).

Computer lab work: Recording of transactions relating to issue of shares using computers.

Issue and Redemption of Debentures - Redemption out of profits (Problems on Sinking fund method).

Computer lab work: Recording of transactions relating to issue and redemption of debentures using computers.

Suggested Readings:

- 1.Principles and Practice of Accounting: R.L. Gupta & V.K. Gupta, Sulthan Chand & Sons
2. Accountancy–I: Tulasian, Tata Mcgraw Hill Co
3. Accountancy–I: S.P. Jain & K.L Narang, Kalyani
4. Financial Accounting- A Dynamic Approach: Bhattacharya, PHI
5. Financial Accounting: Dr.V.K.Goyal, Excel Books
6. Advanced Accountancy: Arulanandam, Himalaya
7. Introduction to Accountancy: T.S.Grewal, S.Chand and CO.
8. Accountancy–I: Haneef and Mukherjee, Tata Mcgraw Hill co
9. Advanced Accountancy-I:S.N.Maheshwari&V.L.Maheswari,Vikash Publishing
10. Corporate Accounting: V.K. Goyal, Excel Books.
11. Corporate Accounting: K.K. Verma, Excel Books.
12. Manual of Wings, Tally and Focus Accounting Package
13. Advanced Accounting (Vol-I & II): D. Chandrabose, PHI.
14. Corporate Accounting: T. Joseph, Tata.

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Paper: 202: BUSINESS STATISTICS (Common Paper to All Streams)

P.P.W: 5 (4+1) Hrs

Max Marks:70T + 30P= 100

Exam Duration: 3 Hrs

Objective:

The objective of this paper is to impart knowledge on the application of statistical tools and techniques in business decision-making & use of MS-Excel in interpretation of statistical data.

UNIT-I: Introduction to Statistics:

Meaning, definition, importance and limitations of statistics - Collection of data - Primary and Secondary data.

Sampling (Random, Non Random) - Census - Schedule and questionnaire – Frequency distribution – Tabulation.

Computer lab work: Diagrammatic and graphic presentation of data using Computers – Excel.

UNIT - II: Measures of Central Tendency:

Definition, objectives and characteristics of measures of central tendency - Types of Averages: Arithmetic Mean, Geometric Mean, Harmonic Mean, Median, Mode, Deciles, Percentiles, Properties of averages and their applications.

Computer lab work: Calculation of averages using computers.

UNIT - III: Measures of Dispersion and Skewness:

Dispersion: Meaning, Definitions, Properties – Types: Range, Quartile Deviation, Mean Deviation, Standard Deviation, Coefficient of Variation.

Skewness: Definition - Karl Pearson's and Bowley's Measures of Skewness - Normal Distribution.

Computer lab work: Calculation of Dispersion and skew ness using Computers.

UNIT - IV: Measures of Relation:

Correlation: Meaning, uses – Types of correlation - Karlpearson's correlation coefficient.

Computer lab work: Spearman's Rank correlation - Probable error -Calcuation of Correlation by using computers.

Regression analysis: Meaning and utility - Comparison between Correlation and Regression – Regression Equations - Interpretation of Regression Co-efficient.

Computer lab work: Calculation of Regression by Using Computers.

UNIT - V: Analysis of Time Series & Index Numbers:

Time Series Analysis: Meaning and utility - Components of time series - Measurement of trend and seasonal Variations – Utility of decomposition of time series - Decentralization of data.

Computer lab work: Calculation of trend and seasonal variations using computers.

Index Numbers: Meaning and importance - Methods of construction of index numbers: Price Index Numbers, Quantity Index Numbers – Tests of Adequacy of Index Numbers – Deflating Index Numbers – Cost of Index Numbers - Limitation of Index Numbers.

Computer lab work: Calculation of index numbers using computers.

Suggested Readings:

1. Fundamentals of Statistics: Gupta S.C
2. Statistical Methods: Gupta S.P
3. Statistics for Management: Levin & Rubin
4. Statistics-Problems and Solutions: Kapoor V.K.
5. Fundamentals of Statistics: Elhance.D.N
6. Microsoft Office Excel 2003 and 2007- step by step: Frye, PHI
7. Statistics: Gupta B.N.
8. Statistics Concepts & Applications: Nabendu Pal & Sahadeb Sarkar.
9. Statistics-Teory,Methods and Applications: Sancheti,D.C. & Kapoor V.K
10. Statistics and their applications to Commerce: Borddigition
11. Business Statistics,An Applied Orientation: P.K.Viswanathan
12. Business Statistics: C.R. Reddy, Deep Publicatiions
13. Business Statistics: J.K.Sharma
14. Business Statistics: Bharat Jhunjunwala
15. Busniess Statistics: R.S.Bharadwaj,Excel Books
16. Statistics for Management, using Microsoft, Excel: Levin et al
17. Statistics Made Simple: Sarma, PHI.

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Paper –203: FINANCIAL SERVICES: BANKING & INSURANCE (A Paper to B Com. General Stream)

P.P.W: 5 (4+1) Hrs

Max Marks: 70T + 30P= 100

Exam Duration: 3 Hrs

Objective:

To impart knowledge on Banking and Insurance concepts and to gain an insight on Financial Services.

Unit - I: Introduction to Financial Services:

a. Meaning of Financial Services - Structure of Indian Financial System - Importance of Financial system for the economic development.

Lab work: Financial and Banking system charts.

b. Definition of Bank - Functions of Commercial Banks and Reserve Bank of India.

Lab work: Forms of various accounts and deposits of Commercial Banks.

c. Definition / Meaning of Insurance and reinsurance - Principles of Insurance - Kinds of Insurance - Advantages of insurance - Globalization of insurance and insurance sector reforms in India.

Unit - II: Banking Systems and its Regulation:

a. Banking Systems: Branch banking, Unit Banking, Correspondent banking, Group banking, Deposit banking, Mixed banking and Investment banking - An overview of banking - Banking Sector Reforms with special reference to Prudential Norms, capital adequacy norms, income recognition norms - classification of assets and NPAs - Innovations in Banking: ATMs, E-Banking, Credit cards, Online & Offshore Banking.

Lab work: Working and operations of ATM, Credit cards, E-Banking.

b. Regional Rural banks - Cooperative banks – Micro Finance - Priority Sector Lending - Indigenous banking - Role of NABARD - Development Financial institutions: SFC, SIDBI.

Unit - III: Banker and Customer, Loans and Advances:

a. Banker and customer definition and their relationship - Types of customers and modes of operations - Procedure and precaution for opening an account - Pass book & its features - Rights, duties and obligations of the payee banker.

Lab work: Application forms for opening accounts, Cheque Books, pass books, requisition slips for withdrawals and deposits, bank statements, format of Demand draft, Cheque, travel cheques etc.

b. Promissory Note and Bills of Exchange and Cheque - Differences between them - Types of crossing the cheque - Payment of cheque and consequences of wrongful dishonor - Collection of local and upcountry cheques - Responsibilities and liabilities of collecting banker and statutory protection to the collecting banker.

Lab work: Promissory notes, B/E, Crossed cheques - various modes.

c. Types of loans and advances - Principles of sound lending policies - Credit appraisals of various forms of loans and advances - Modes of creating charges - Lien, pledge, mortgage and hypothecation.

Lab work: Documents required for sanction of loans and advances and the procedure.

Unit – IV: Financial Markets & Services:

a. Indian Money Market: Characteristics – Structure - Composition (call and notice money, market, treasury bills market, CDs, CPs, short term bill market, MMMFs and DFHI) - Problems and reforms in Indian money markets.

Lab work: formats of CDs, CPs, Treasury Bills etc.

b. Indian Capital Market: Composition and growth of primary and secondary markets - Differences between primary and secondary markets - Capital market reforms and NBFCs in capital markets - Stock Exchanges: BSE, NSE, OTCEI, Online Trading and role of SEBI.

Lab work: Trends of Stock market index given in magazines/newspapers.

c. Financial Intermediaries and Services: Merchant bankers, Mutual funds, Leasing companies, Venture Capital Funds, Forfeiting, Loan Syndication, Factoring, Custodial Services: Depository Services and Depository Participants.

Lab work: Forms, Formats and Documentation procedure.

Unit - V: Types of Insurance and Its Regulation:

a. Life Insurance: Practical aspects of Life Insurance - Procedure for issuing a life insurance policy - Issue of duplicate policies - Nomination - Surrender value - Policy loans – Assignment - Revivals and claim settlement.

Lab work: Formats of types of Insurance.

b. Non Life Insurance: Types of products and scope of Fire Insurance, Marine Insurance, Health Insurance, Social Insurance and Rural Insurance. - Regulation of Insurance in India - Insurance Act, 1938 and IRDA 1999.

Lab work: Formats of types of Non Life Insurance.

Suggested Readings:

1. Sethi & Bhatia: Elements of Banking and Insurance, PHI
2. Guruswamy: Banking Theory Law and Practice, Tata
3. Maheshwari and Paul R.R: Banking theory law and practice
4. Sundaram and Varsheney: Banking theory law and practice
5. Mithani & Gordon: Banking and financial Services
6. Tannans: Banking law and practice in India

7. M.Y.Khan: Indian Financial System
8. P.K.Gupta: Insurance and risk management
9. Vijaya Raghavan Iyengar: Introduction to Banking-Excel Books
10. Aryasri & Murty: Banking and Financial Systems, Tata
11. Guruswamy: Merchant Banking and Financial Services, Tata
12. Murthy and Venugopal: Indian Financial System, IK International
13. Paul Suresh: Management of Banking and Financial Services, Pearson
14. Tripathy & Pal: Insurance - Theory and Practice, PHI
15. Bodhanwala: Understanding & Analysing Balance Sheets using Excel Worksheet - PHI
16. Sriram: Core Banking Solutions–Evaluation of Security and Controls, PHI
17. Kaninika Misra: Fundamentals of Life Insurance: Theories & Applications, PHI
18. Burton & Brown: Financial system & the Economy: The Principles of Money & Banking, PHI
19. Muraleedharan: Modern Banking: Theory & Practice, PHI
20. Kutty: Managing Life Insurance, PHI
17. Neelam C Gulati: Principles of Insurance Management, Excel Books
18. Internet websites of RBI, IRDA, SEBI, BSE, NSE, DFHI, NABARD, SIDBI, NBFC.
19. Guruswamy: Essentials of Financial Services, Tata

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Paper –204: TAXATION (w.e.f. A.Y: 2013-'14) (A Paper of B Com. General Stream)

P.P.W: 5 (4+1) Hrs

Max Marks: 70T + 30P= 100

Exam Duration: 3 Hrs

Objective:

To equip the students with the working knowledge of both direct and indirect taxes.

UNIT I: Introduction (Theory only) (15 Periods)

Taxes - Meaning -Need for and Rationale of Taxes-Direct and Indirect Taxes
Constitutional provisions on Taxation-Union List - State List-Tax Rates-Blanket Rate
Method - Slab Rate Method-Surcharge -Cess - Progressive Vs Regressive Taxes-An
Overview of Taxation System in India.

UNIT - II: INCOME FROM SALARIES (Theory and Problems) (30 Periods)

Income Tax Act 1961 - Important Definitions-Residential Status-Incidence of Tax
Exempted Incomes-Agricultural Income-Salary meaning and Allowances-Perquisites –
Profits in lieu of salary - Deductions from salary income-Computation of salary income –
Qualified savings and Provident funds

Lab Work: Filling Relevant forms for Individual Assesseees -

- 1. Format and Filling of Form 16**
- 2. Format and Filling and Filing of ITR -1**

UNIT -III INCOME FROM OTHER HEADS (Theory and Problems) (30 Periods)

Income from House property (Theory and Problems):

Meaning,-Annual value-Let-out house, Self-occupied house, Deemed to be let-out house-
Deductions from annual value, Deemed ownership, Co-ownership, Unrealized rent-
Computation of income from house property

Depreciation(Theory): Meaning, Basis, Rates, Block of assets, Unabsorbed
Depreciation

Income from business and profession: (Theory and Problems)

Chargeability-Deductions expressly allowed and disallowed-General deductions-
computation of profits and gains from business and profession

Income from Capital gains (Theory and Problems):

Capital assets meaning, Types, Cost of inflation index-Transfer types, Transfer not regarded as transfer, Cost of acquisition of various Assets-Deductions from capital gains. Exemptions U/S 54. Computation of taxable capital Gains

Income from other sources (Theory and Problems):

Interest on securities, Bond washing transaction-Dividends on shares, casual income, family pension, Gifts received and other general incomes including deductions, Deemed income

Deductions from gross total income and Rebates, Clubbing and aggregation of incomes Set off and carry forward of losses.

Computation of total income (Theory and Problems):

Tax liability of Individual Assessee-Assessment procedure, Filing of returns-Collection and Recovery of Taxes - Tax Deducted at source -Advance Tax

Lab Work: Filling Relevant forms for Individual and HUF

1. Format and Filling and Filing of ITR -2

UNIT - IV : SALES TAX AND SERVICE TAX (Theory and Problems): (25 Periods)

Central Sales Tax – Definitions-Inter State Trade or Commerce - Computation of Taxable Turnover-Assessment and Returns under CST Act

APVAT Act, 2005 (Theory and Problems): -Statement of Objectives and Reasons - Definitions-Computation of Taxable Turnover - Registration Procedure

Service Tax Act, 1994 - Introduction - Meaning of Service - Classification of Taxable services-Valuation of Taxable Services - Registration - Assessment Procedure

UNIT -V : WEALTH TAX, CENTRAL EXCISE & CUSTOMS (Theory only) (25 Periods)

Wealth Tax Act 1957 - Charge of Wealth Tax- Valuation Date-Location of Assets - Assets - Meaning - Deemed Assets -Exempted Assets- Profarma of Computation of Net Wealth - valuation of Assets-Return of Wealth and Procedure of Assessment - Time limit for Completion of Assessment.

Central Excise Duty -Definitions-Taxable Event under Central Excise - Types of Duties- Classification –Valuation-Registration Procedure - CENVAT Credit

Customs Duty - Important Definitions-Import and Export Procedure - Various Documents used in Foreign Trade-Baggage - Stores - Valuation Rules

SUGGESTED READINGS:

1. Student guide to Income tax: Singhanian - Taxman publications
2. Income tax and accounts: H.C. Mehrotra - Sahitya bhavan publications
3. Elements of Income tax: Gaur and Narang - Kalyani publications
4. Direct taxes: Bhagawathi prasad – Vishwa prakashan
5. Elements of income tax: P.V.Ramana Rao, A.Sudhakar – National publishing
6. Taxation: H.Prem raja - Sri Hamsrala publications.
7. Indirect Taxes: V. K. Sareen & May Sharma – Kalyani publishers.
8. Apvat: T.V.R.Satyan Prasad - Asia law house.
9. Guide to service tax: P . Veera Reddy - Asia law house.
10. Indirect taxes: V.S.Datey – Taxmann Publications.
11. Practicals in Taxation: H.Prem raja - Sri Hamsrala publications.
12. Lal: Income Tax & Central Sales Tax- Law & Practce, Pearson.
- 13.Lal: Direct Taxes: Income Tax, Wealth Tax & Tax Planning, Pearson.

Note: problems have to be worked out, assuming current academic year as assessment year.