

# **Commerce**

**Unit 1: Business Environment and International Business**

**Unit 2: Accounting and Auditing**

**Unit 3: Cost Accounting**

**Unit 4: Financial Management and Business Finance**

**Unit 5: Statistical Analysis**

**Unit 6: Business Management and Human Resource Management**

**Unit 7: Banking and Financial Institutions**

**Unit 8: Marketing Management**

**Unit 9: Legal Aspects of Business**

**Unit 10: Income-tax and Corporate Tax Planning**

## **Unit 1: Business Environment and International Business**

- Concepts and elements of business environment: Economic environment- Economic systems, Economic policies(Monetary and fiscal policies); Political environment: Role of government in business; Legal environment- Consumer Protection Act, FEMA; Socio-cultural factors and their influence on business; Corporate Social Responsibility (CSR)
- Scope and importance of international business; Globalization and its drivers; Modes of entry into international business
- Theories of international trade; Government intervention in international trade; Tariff and non-tariff barriers; India's foreign trade policy
- Foreign direct investment (FDI) and Foreign portfolio investment (FPI); Types of FDI, Costs and benefits of FDI to home and host countries; Trends in FDI; India's FDI policy
- Balance of payments (BOP): Importance and components of BOP
- Regional Economic Integration: Levels of Regional Economic Integration; Trade creation and diversion effects; Regional Trade Agreements: European Union (EU), ASEAN, SAARC, NAFTA
- International Economic institutions: IMF, World Bank, UNCTAD

World Trade Organisation (WTO): Functions and objectives of WTO; Agriculture Agreement; GATS; TRIPS; TRIMS

## **Unit 2: Accounting and Auditing**

- Basic accounting principles; concepts and conventions
- Accounting as a Financial Information System
- Partnership Accounts: Admission, Retirement, Death, Dissolution and Insolvency of partnership firms
- Corporate Accounting: Issue, forfeiture and reissue of shares; Bonus Shares, Right Shares, Employee Stock Option and Buy Back of Securities, Preparation and Presentation of Financial Statements of Companies, Liquidation of companies; Acquisition, merger, amalgamation and reconstruction of companies
- Holding company accounts
- Financial Statements Analysis: Ratio analysis; Funds flow Analysis; Cash flow analysis
- Human Resources Accounting; Inflation Accounting; Environmental Accounting
- Indian Accounting Standards and IFRS
- Auditing: Independent financial audit; Vouching; Verification and valuation of assets and liabilities; Audit of financial statements and audit report; Cost audit;
- Company Audit: Audit related to divisible profits, dividends, Special investigations, Tax Audit.
- Recent Trends in Auditing: Management audit; Energy audit; Environment audit; Systems audit; Safety audit.
- Audit of banking, insurance and Non-profit organisations.

## **Unit 3: Cost Accounting**

- Nature and functions of Cost Accounting; Installation of cost accounting system
- Methods of costing: Job costing, Process costing, Activity based costing
- Management Accounting: Marginal costing and Break-even analysis; Standard costing; Budgetary control; Process costing; Activity based costing (ABC); Costing for decision making; Life cycle costing; Target costing.
- Incremental Analysis / Differential Costing as a Tool of pricing decisions, Product decisions, Make or buy decisions.
- Responsibility Accounting and Divisional Performance Measurement

## **Unit 4: Financial Management and Business Finance**

- Finance function: Nature, scope and objectives of Financial Management
- Scope and sources of finance; Lease financing
- Cost of capital and time value of money
- Capital structure
- Capital budgeting decisions: Conventional and scientific techniques of capital budgeting analysis
- Working capital management; Dividend decision: Theories and policies

- Risk and return analysis; Asset securitization
- International monetary system
- Foreign exchange market; Exchange rate risk and hedging techniques
- International financial markets and instruments: Euro currency; GDRs; ADRs
- International arbitrage; Multinational capital budgeting

## **Unit 5: Statistical Analysis**

- Measures of central tendency
- Measures of dispersion
- Measures of skewness
- Correlation and regression of two variables
- Probability: Approaches to probability; Bayes' theorem
- Probability distributions: Binomial, poisson and normal distributions
- Research: Concept and types; Research designs
- Data: Collection and classification of data
- Sampling and estimation: Concepts; Methods of sampling - probability and nonprobability methods; Sampling distribution; Central limit theorem; Standard error; Statistical estimation
- Hypothesis testing: z-test; t-test; ANOVA; Chi-square test; Mann-Whitney test (Utest); Kruskal-Wallis test (H-test); Rank correlation test
- Regression Analysis: Simple and multiple linear regression analysis up to three variables.

## **Unit 6: Business Management and Human Resource Management**

- Principles and functions of management
- Organization structure: Formal and informal organizations; Span of control
- Responsibility and authority: Delegation of authority and decentralization
- Motivation and leadership: Concept and theories
- Corporate governance and business ethics
- Human resource management: Concept, role and functions of HRM; Human resource planning; Recruitment and selection; Training and development; Succession planning
- Compensation management: Job evaluation; Incentives and fringe benefits
- Performance appraisal including 360 degree performance appraisal
- Industrial Relations: Meaning and Nature, Recognition of Trade unions; Impact of Liberalization on Trade union movement; Collective bargaining and workers' participation in management, Absenteeism and Labour Turnover in Indian Industries.
- Personality: Perception; Attitudes; Emotions; Group dynamics; Power and politics; Conflict and negotiation; Stress management
- Organizational Culture: Organizational development and organizational change

## **Unit 7: Banking and Financial Institutions**

- Overview of Indian financial system
- Types of banks: Commercial banks; Regional Rural Banks (RRBs); Foreign banks; Cooperative banks
- Reserve Bank of India: Functions; Role and monetary policy management
- Banking sector reforms in India: Basel norms; Risk management; NPA management
- Financial markets: Money market; Capital market; Government securities market
- Financial Institutions: Development Finance Institutions (DFIs); Non-Banking Financial Companies (NBFCs); Mutual Funds; Pension Funds
- Financial Regulators in India
- Financial sector reforms including financial inclusion
- Digitisation of banking and other financial services: Internet banking; mobile banking; Digital payments systems
- Insurance: Types of insurance- Life and Non-life insurance; Risk classification and management; Factors limiting the insurability of risk; Re-insurance; Regulatory framework of insurance- IRDA and its role

## **Unit 8: Marketing Management**

- Marketing: Concept and approaches; Marketing channels; Marketing mix; Strategic marketing planning; Market segmentation, targeting and positioning
- Product decisions: Concept; Product line; Product mix decisions; Product life cycle; New product development
- Pricing decisions: Factors affecting price determination; Pricing policies and strategies
- Promotion decisions: Role of promotion in marketing; Promotion methods - Advertising; Personal selling; Publicity; Sales promotion tools and techniques; Promotion mix
- Distribution decisions: Channels of distribution; Channel management
- Consumer Behaviour; Consumer buying process; factors influencing consumer buying decisions
- Service marketing
- Trends in marketing: Social marketing; Online marketing; Green marketing; Direct marketing; Rural marketing; CRM
- Logistics management

## **Unit 9: Legal Aspects of Business**

- Indian Contract Act, 1872: Elements of a valid contract; Capacity of parties; Free consent; Discharge of a contract; Breach of contract and remedies against breach; Quasi contracts;
- Special contracts: Contracts of indemnity and guarantee; contracts of bailment and pledge; Contracts of agency
- Sale of Goods Act, 1930: Sale and agreement to sell; Doctrine of Caveat Emptor; Rights of unpaid seller and rights of buyer

- Negotiable Instruments Act, 1881: Types of negotiable instruments; Negotiation and assignment; Dishonour and discharge of negotiable instruments
- The Companies Act, 2013: Nature and kinds of companies; Company formation; Management, meetings and winding up of a joint stock company
- Limited Liability Partnership: Structure and procedure of formation of LLP in India
- The Competition Act, 2002: Objectives and main provisions
- The Information Technology Act, 2000: Objectives and main provisions; Cyber-crimes and penalties
- The RTI Act, 2005: Objectives and main provisions
- Intellectual Property Rights (IPRs) : Patents, trademarks and copyrights; Emerging issues in intellectual property
- Goods and Services Tax (GST): Objectives and main provisions; Benefits of GST; Implementation mechanism; Working of dual GST

## **Unit 10: Income-tax and Corporate Tax Planning**

- Income-tax: Basic concepts; Residential status and tax incidence; Exempted incomes; Agricultural income; Computation of taxable income under various heads; Deductions from Gross total income; Assessment of Individuals; Clubbing of incomes
- International Taxation: Double taxation and its avoidance mechanism; Transfer pricing
- Corporate Tax Planning: Concepts and significance of corporate tax planning; Tax avoidance versus tax evasion; Techniques of corporate tax planning; Tax considerations in specific business situations: Make or buy decisions; Own or lease an asset; Retain; Renewal or replacement of asset; Shut down or continue operations
- Deduction and collection of tax at source; Advance payment of tax; E-filing of income-tax returns