

RAMNIRANJAN JHUNJHUNWALA COLLEGE

(AUTONOMOUS COLLEGE)



M.COM. PART – II

Two Year Integrated Programme – Four Semesters *Course Structure*

Semester III

No. of Courses	Semester III	Credits
1	Advanced Financial Accounting	06
2	Direct Tax	06
3	Advanced Cost Accounting	06
4	Advanced Auditing	06
Total Credits		18

Advanced Financial Accounting

Modules at a Glance

SN	Modules	No. of Lectures
1	Foreign Currency Conversion (As per Applicable Accounting Standards)	15
2	Final Accounts & Statutory Requirements for Banking Companies	15
3	Accounting & Statutory Requirements of Insurance Companies	15
4	Accounting & Statutory Requirements of Co-operative Societies	15
Total		60

SN	Modules/ Units
1	Foreign Currency Conversion (As per Applicable Accounting Standards)
	Requirements as per Accounting Standards Foreign Branches
2	Final Accounts & Statutory Requirements for Banking Companies
	Final Accounts of Banking Companies Provisioning of Non-Performing Assets Form & Requirements of Final Accounts
3	Accounting & Statutory Requirements of Insurance Companies
	<ul style="list-style-type: none"> Accounting Provision for Insurance Act and Insurance Regulation and Development Authorities for <ol style="list-style-type: none"> Life Insurance Business General Insurance Business Forms and Requirements of Final Accounts for <ol style="list-style-type: none"> Life Insurance Business General Insurance Business
4	Accounting & Statutory Requirements of Co-operative Societies
	<ul style="list-style-type: none"> Accounting Provisions of Maharashtra State Co-operative Societies Act and Rules Forms and Requirements of Final Accounts

1. Direct Tax

Modules at a Glance

SN	Modules	No. of Lectures
1	Definitions and Basis of Charge	15
2	Heads of Income	15
3	Deductions u/s 80 and Exclusions from the Total Income	15
4	Computation of Income and Tax of Individual, Firm and Company (Excluding MAT) and Provisions for Filing Return of Income - Sec 139(1) and Sec 139(5)	15
Total		60

SN	Modules/ Units
1	Definitions and Basis of Charge
	<ul style="list-style-type: none"> • Definitions: Person, Assessee, Income • Basis of Charge: Previous Year, Assessment Year, Residential Status, Scope of Total Income, Deemed Income
2	Heads of Income
	<ul style="list-style-type: none"> • Income from Salary • Income from House Property • Profits and Gains from Business and Profession • Income from Capital Gains • Income from Other Sources
3	Deductions u/s 80 and Exclusions from the Total Income
	<ul style="list-style-type: none"> • Deductions: 80C, 80CCF, 80D, 80DD, 80DDB, 80E, 80U • Exclusions: Exemptions related to Specific Heads of Income to be Covered with Relevant Provisions, Agricultural Income, Sums Received from HUF by a Member, Share of Profit from Firm, Income from Minor Child, Dividend
4	Computation of Income and Tax of Individual, Firm and Company (Excluding MAT) and Provisions for Filing Return of Income - Sec 139(1) and Sec 139(5)
	<ul style="list-style-type: none"> • Computation of Income & Tax of Individual and Partnership Firm

Note:

- 1. The Syllabus is restricted to study of particular sections, specifically mentioned rules and notifications only***
- 2. All modules/units include computational problems/Case study***
- 3. The Law in force on 1st April immediately preceding the commencement of Academic year will be applicable for ensuing Examinations***

3. Advanced Cost Accounting

Modules at a Glance

SN	Modules	No. of Lectures
1	Process Costing	15
2	Cost Allocation and Activity Based Costing Systems	15
3	Responsibility Accounting	15
4	Strategic Cost Management	15
Total		60

SN	Modules/ Units
1	Process Costing
	<p>A) Introduction - Features of process, Concept of Process Loss, Abnormal Loss, Normal Loss, Abnormal Gain.</p> <p>B) Computation of Inter Process Profit – Advantages and Disadvantages</p> <p>C) Computation of Equivalent Production – Weighted Average and FIFO.</p>
2	Cost Allocation and Activity Based Costing Systems
	<p>A) Cost Allocation – Meaning and its Types, Relationship between resources, activities, Cost and Cost drivers, Methods of allocating central costs - cost allocation using Direct Method, Step Down Method and Reciprocal Method.</p> <p>B) Activity Based Costing – Introduction, Advantages, Limitations, Identification of cost drivers, Practical Problems on Traditional V/s Activity Based Costing System.</p>
3	Responsibility Accounting
	<p>A) Responsibility Accounting – Meaning, Features, Objective, Assumptions, Problems, Responsibility Centre's – Cost, Profit, Revenue and Investment.</p> <p>B) Concept of Controllability – Introduction, Measuring Managerial Performance (ROI and Residual Income Approach)</p> <p>C) Preparation of Managerial Reports using Segmented Costs and Controllable costs approach.</p>
4	Strategic Cost Management
	<p>A) Transfer Pricing – Introduction, Advantages and Disadvantages, Setting Transfer Pricing – Negotiated transfer pricing, Cost Based transfer pricing.</p> <p>B) Target Costing – Introduction, Concept, Objectives, Comparison between Target Costing and Cost Plus Pricing.</p> <p>C) Inflation Accounting – Meaning, Features, Conversion of Income Statement, Balance Sheet, Stocks and Net Assets Block using Current Purchasing Power Method.</p>

Note – All Topics include practical sums

4. Advanced Auditing

Modules at a Glance

SN	Modules	No. of Lectures
1	Company Audit	15
2	Special Audits	15
3	Audit under other laws	15
4	Auditing in Computerized Environment	15
Total		60

SN	Modules/ Units
1	Company Audit
	<ul style="list-style-type: none"> • Introduction to Audit - Audit of Ledgers, General Considerations, Scrutiny of Ledgers of Assets, Personal and Revenue Accounts • Company Audit - Audit of Shares, Qualifications and Disqualifications of Auditors, Appointment of auditors, Removal of auditors, Powers and duties of auditors, Branch audit, Joint audit, Special audit, Reporting requirements under the Companies Act, 2013. • Concepts of true and fair and materiality and audit risk in the context of audit of companies. • Audit reports; qualifications, notes on accounts, distinction between notes and qualifications, detailed observations by the statutory auditor to the management vis-a-vis obligations of reporting to the members
2	Special Audits
	<ul style="list-style-type: none"> • Special points in audit of different types of undertakings, i.e., Educational institutions, Hotels, Clubs and Hospitals.
3	Audit under other Laws
	<ul style="list-style-type: none"> • Cost audit, Environmental Audit, Energy Audit., Audit under different statutes, viz; income tax, other direct tax laws and indirect taxes
4	Auditing in Computerized Environment
	<ul style="list-style-type: none"> • Audit under computerised environment: Computer auditing; specific problems of EDP audit, Need for review of internal control especially procedure controls and facility controls; techniques of audit of EDP output; Use of computers for internal and management audit purposes; test packs, computerised audit programmes; involvement of the auditor at the time of setting up the computer system

SEMESTER IV

No. of Courses	Semester IV	Credits
1	Corporate Financial Accounting	06
2	Indirect Tax- Introduction of Goods and Service Tax	06
3	Financial Management	06
4	International Financial Reporting Standards	
Total Credits		18

1. Corporate Financial Accounting

Modules at a Glance

SN	Modules	No. of Lectures
1	Corporate Financial Reporting	15
2	International Financial Reporting Standards (IFRS) & Ind-AS	15
3	Valuation of Business for Amalgamation & Merger	15
4	Consolidated Financial Statement	15
Total		60

SN	Modules/ Units
1	Corporate Financial Reporting
	<ul style="list-style-type: none"> • Introduction of Financial Reporting • Need for reporting • Contents of Financial Report • Recent trends in Financial reporting
2	International Financial Reporting Standards (IFRS) & Ind - AS
	<ul style="list-style-type: none"> • Accounting Standards (AS) – applicability, interpretation, scope and compliance in India • Introduction to I.F.R.S • Ind – AS • Specific Ind AS: <ul style="list-style-type: none"> Borrowing Costs Operating Segments Earning per share Income Taxes Accounting for fixed assets
3	Valuation of Business for Amalgamation & Merger
	Meaning, Need & Approach Methods of valuation

4	Consolidated Financial Statement
	Meaning, Stand Alone Financial Statements Consolidated Financial statements – Applicability, Advantages & Disadvantages Procedure of Consolidation of Balance-sheet & Profit & Loss Account (Excluding cross holding, Chain Holding & Foreign Subsidiary)

2. Indirect Tax- Introduction of Goods and Service Tax

Modules at a Glance

SN	Modules	No. of Lectures
1	Overview of Goods and Service Tax	15
2	Registration under GST	15
3	Collection of Tax under Integrated Goods and Services Tax Act, 2017	10
4	Place of supply of goods or services or both under Integrated Goods and Services Tax Act, 2017	10
5	Payment of GST	10
Total		60

SN	Modules/ Units
1	Overview of Goods and Service Tax
	<p>Introduction and Meaning of GST and IGST</p> <p>Scope of GST</p> <p>Present/old Tax Structure v/s GST</p> <p>GST in Other Countries</p> <p>Existing taxes proposed to be subsumed under GST</p> <p>Principles adopted for subsuming the taxes</p> <p>Dual GST</p> <p>Benefits of GST</p> <p>GST Council</p> <p>GST Network (GSTN) and GST regime</p> <p>Integrated Goods and Services Tax Act, 2017: title and definitions, administration.</p>
2	Registration Under GST
	<p>Rules and Procedure of registration</p> <p>Special provisions relating to casual taxable person and non-resident taxable person</p> <p>Amendment of registration</p> <p>Cancellation of registration</p> <p>Revocation of cancellation of registration</p>
3	Collection of Tax under Integrated Goods and Services Tax Act, 2017
	Sec 5 and Sec 6
4	Place of supply of goods or services or both under Integrated Goods and Services Tax Act, 2017
	Sec 10 and Sec 12
5	Payment of GST
	<ul style="list-style-type: none"> • Introduction • Time of GST Payment • How to make payment • Challan Generation & CPIN • TDS & TCS

Note: Relevant Law/Statute/Rules in force and relevant Standards in force on 1st April immediately preceding commencement of Academic Year is applicable for ensuring examination after relevant year

3. Financial Management

Modules at a Glance

SN	Modules	No. of Lectures
1	Types of Financing	12
2	Investment Decisions : Capital Budgeting	12
3	Management of WorkingCapital	12
4	Financial Planning	12
5	Financial Policy and Corporate Strategy	12
Total		60

SN	Modules/ Units
1	Types of Financing
	<p>Introduction</p> <p>Needs of Finance and Sources: Long Term, Medium Term, Short Term</p> <p>Long Term Sources of Finance</p> <p>Owners Capital / Equity Capital</p> <p>Preference share capital</p> <p>Retained Earning</p> <p>Debentures or Bonds</p> <p>Loans from Financial Institutions / Banks</p> <p>Short Term Sources of Finance</p> <p>Trade Credit</p> <p>Accrued Expenses and Deferred Income</p> <p>Advances From Customers</p> <p>Commercial Papers</p> <p>Bank Advances: Loans, O/D, Clean O/Ds, Cash Credit, Advances against goods, Bills Purchased, Discounted, Advances against documents of title of goods, Advances against supply of bills, Term Loans</p> <p>Inter Corporate Deposits</p> <p>Certificate of Deposits</p> <p>Public Deposits</p>
2	Investment Decisions : Capital Budgeting
	<ul style="list-style-type: none"> • Introduction • Nature of Capital Budgeting • Purpose of Capital Budgeting • Capital Budgeting Process • Types of Capital Investment • Decisions Project Cash Flows and Net profit Approval • Basic Principle of Measuring Project Cash Flows • Increment principle, Long Term Funds Principle, Exclusion of Financial Cost Principle, Post Tax Principle • Probability technique for measurement of cash flow • Capital Budgeting Techniques : Net Return Value; Internal Rate of Return; Profitability Index Methods • A Comparison; Project Selection Under Capital Rationing • (Note: Problems on computation of cash flow, ranking of projects on various techniques, selection and analysis with / without capital rationing. Comparison of IRR with Required rate of return i.e. cut off rate, IRR and mutually exclusive projects with unequal lives, multiple IRR)

SN	Modules/ Units
3	Management of Working Capital
	Meanings, Concepts and policies of working capital Management of working capital Issues in working capital Estimating working capital needs (only Theory) Operating or working capital cycle (only Theory) Management of components of working capital <ul style="list-style-type: none"> □ Management of Cash and Marketable Securities: Motives for Holding Cash; Objectives of Cash Management; Factors Determining Cash Needs; Basic Strategies of Cash Management; Cash Management Techniques / Processes; Marketable Securities; and Cash Management Practices in India. □ Receivable Management: Objectives; Credit Policies; Credit Terms; and Collection Policies. □ Inventory Management: Objectives; and Techniques.
4	Financial Planning
	<ul style="list-style-type: none"> • Introduction • Meaning of Budget • Essentials of a budget, • Types of Budgets • Advantages of Budgeting • Zero Based Budget • (Note: Practical Questions on Sales Budget, Production Budget, Material Budget, Cash Budget and Master Budget)
5	Financial Policy and Corporate Strategy
	<ul style="list-style-type: none"> • Meaning of strategic financial management • Strategic financial decision making framework • Functions of Strategic Financial Management • Financial Planning

1. International Financial Reporting Standards

Modules at a Glance

SN	Modules	No. of Lectures
1	Conceptual Foundations of Financial Statements	15
2	Presentation of Financial statements	15
3	Indian Accounting Standards for Assets, Liabilities and Revenue	15
4	Presentation of Single Entity Financial Statements Covered by IFRS Convergence	15
Total		60

SN	Modules/ Units
1	Conceptual Foundations of Financial Statements
	<ul style="list-style-type: none"> • The objective of financial reporting; • The main assumptions; • Qualitative characteristics of financial reporting; • Elements of Financial Statements: recognition and measurement
2	Presentation of Financial statements
	<p>Presentation of financial statements</p> <p>Accounting standards: Role/objectives of accounting standards, Development of accounting standards in India - Requirements of international accounting standards - International organizations engaged in accounting harmonization - IASB - FASB - Role of IASB in developing IFRS</p> <p>IFRS :- Introduction, scope</p> <p>Indian Accounting standards (Ind AS):</p> <p>Introduction</p> <p>Road map</p> <p>Comparison of Ind AS, IFRS and AS</p> <p>Conceptual framework</p> <p>Definition of financial elements</p> <p>Principles of recognition, measurements, presentation and disclosure.</p> <p>(Theory and Practical)</p>
3	Indian Accounting Standards for Assets, Liabilities and Revenue
	<p>Valuation of Inventories</p> <p>Cash flow statement</p> <p>Accounting for tangible non-current assets</p> <p>Accounting for intangible assets</p> <p>Accounting for impairment of assets</p> <p>Accounting for borrowing costs</p> <p>Investment property</p> <p>Revenue from contracts with customers</p> <p>Income tax</p> <p>Employee benefits</p> <p>Provisions, contingent liabilities and contingent assets</p> <p>(Theory and Practical)</p>
4	Presentation of Single Entity Financial Statements Covered by IFRS Convergence
	<p>Ind AS 1: Accounting policies, Accounting estimates</p> <p>IAS 8 and Ind AS 8- Events after reporting date</p> <p>IAS 10 and Ind AS 10 - Structure and contents of financial statements</p> <p>Preparation of financial statements: Statement of Financial Position (SOFP) - Statement of Profit or Loss (SOPL) - Statement of Changes in Equity (SOCE) - Cash Flow Statement (SOCF) (IAS 7 and Ind AS 7).</p> <p>(Theory and Practical)</p>