

## **F.N 6.5 CORPORATE FINANCIAL POLICY**

### **Unit 2: COST OF CAPITAL**

Meaning and definition, Significance of cost of capital, types of cost of capital-computation of cost of capital - specific cost- cost of debt ,cost of preference share capital , cost of equity share capital ,Weighted Average Cost of Capital – problems, Weighted Marginal Cost Of Capital – simple problems.

### **Unit 4 : MERGERS AND ACQUISITIONS**

Meaning - Reasons – Types of Combinations - Forms of Merger – Motives and Benefits of Merger – Financial Evaluation of a Merger - Merger Negotiations - Meaning and Significance of P/E Ratio. Problems on Exchange Ratio and Impact of Merger on EPS and Market Price

### **Unit 5: CORPORATE VALUATION**

Meaning of Corporate Valuation – Methods of Corporate Valuation – Different approaches for Corporate Valuation - Valuation of Brands and Intangible Assets (Theory)  
– Valuation of Bonds and Shares – Problems.

## **6.1 BUSINESS REGULATIONS**

### **UNIT 1: INTRODUCTION TO BUSINESS LAWS**

Introduction, Nature of Law, Meaning and Definition of Business Laws, Scope and Sources of Business Laws.

### **UNIT 2: CONTRACT LAWS**

Indian Contract Act, 1872: Definition of Contract, essentials of a valid contract, classification of contracts, remedies for breach of contract.

Indian Sale of Goods Act, 1930: Definition of contract of sale, essentials of contract of sale, conditions and warranties, rights and duties of buyer, rights of an unpaid seller.

### **UNIT 3: INFORMATION TECHNOLOGY ACT: ( In Brief )**

Introduction to Cyber Law in India, salient features of IT Act, 2000, importance of Cyber Law, Digital Signature, cyber crimes.

### **UNIT 4: COMPETITION AND CONSUMER LAWS: ( In Brief )**

The Competition Act, 2002: Objectives of Competition Act, Features of Competition Act, **CAT**, offences and penalties under the Act, Competition Commission of India.

Consumer Protection Act, 1986: Definition of the terms consumer, consumer dispute, defect, deficiency, unfair trade practices and services. Rights of the consumer under the Act, Consumer Redressal Agencies – District Forum, State Commission, National Commission.

## **6.3: INCOME TAX – II**

### **UNIT – 1: PROFITS AND GAINS FROM BUSINESS OR PROFESSION**

Meaning and Definition of Business, Profession and Vocation, Basis of Charge, Expenses expressly allowed, Allowable Losses, Expenses expressly disallowed, Expenses allowed on Payment Basis, Definition of Depreciation and Block of Assets, Rates of Depreciation, Rules for Depreciation, Problems on Business relating to Sole Trader only and Problems on Profession relating to Chartered Accountant, Advocate and Medical Practitioner.

### **UNIT – 2: CAPITAL GAINS**

Basis of Charge, Definition and Meaning of Capital Asset, Transfer, Cost of Acquisition, Cost of Improvement, Sale Consideration, Expenses on Transfer, Cost Inflation Index, Indexed Cost of Acquisition and Improvement and Capital Gains Deposit Scheme, Exceptions to Capital Assets, Types of Capital Assets, Transactions not regarded as Transfer, Computation of Capital Gains, Exemptions U/S 54, 54B, 54D, 54EC, 54F, - Problems on Capital Gains  
Computation of Capital Gains in case of Original shares, Bonus Shares and Rights Shares  
Forfeiture of exemption.

### **UNIT – 3: INCOME FROM OTHER SOURCES**

Incomes taxable under the head Other Sources, Securities, Kinds of Securities , Rules for Grossing up, Ex- Interest and Cum- interest Securities, Bond washing Transactions (Theory) ,

### **UNIT – 4: DEDUCTIONS FROM GROSS TOTAL INCOME**

Deductions u/s 80 C, 80 CCC, 80 CCD, 80 D, 80 DD, 80 E, 80 G, 80 GG, 80 GGA, 80 QQB, 80 U – Theory only (Provisions relating to individual assessee)

### **UNIT – 5: SET- OFF AND CARRY FORWARD OF LOSSES AND ASSESSMENT OF INDIVIDUALS**

Meaning - Set off and Carry forward of losses (Theory only).

## **6.4 MANAGEMENT ACCOUNTING**

### **UNIT1: MANAGEMENT ACCOUNTING AND ANALYSIS OF FINANCIAL STATEMENTS**

Management Accounting: Meaning – Definition – Objectives – Nature and Scope– Role of Management Accountant – Relationship between Financial Accounting and Management Accounting, Relationship between Cost Accounting and Management Accounting.

Analysis of Financial Statements: Types of Analysis –Methods of Financial Analysis – Comparative Statements – Common Size Statements – Trend Analysis – Problems.

### **UNIT2: RATIO ANALYSIS**

Meaning and Definition, Classification of Ratios, Uses & Limitations –Problems on Ratio Analysis - Preparation of financial statements with the help of Accounting Ratios.

### **UNIT4: CASH FLOW ANALYSIS**

Meaning and Definition of Cash Flow Statement – Differences between Cash Flow Statement and Fund Flow Statement – Uses of Cash Flow Statement – Limitations of Cash Flow Statement – Provisions of AS-3 – Procedure of Cash Flow Statement – Concept of Cash and Cash Equivalents - Cash Flow from Operating Activities – Cash Flow from Investing Activities and Cash Flow from Financing Activities – Preparation of Cash Flow Statement according to AS-3 (Indirect Method Only).

## **F.N6.6 SECURITY ANALYSIS & PORTFOLIO MANAGEMENT**

### **Unit 1: INTRODUCTION TO INVESTMENT MANAGEMENT**

Meaning of Investment – Selection of Investment – Classification of Securities – Risk and Uncertainty – Types of Risks – Risk and Expected Return – Measurement of Portfolio Risk – Benefits of Diversification – Investment Strategies – Types of Companies and Stocks – Matrix approach in Investment Decision – Investment Avenues

### **Unit 2: SECURITY ANALYSIS**

Introduction – Fundamental Analysis – Economic Analysis – Industry Analysis – Company Analysis. Technical Analysis – Dow Theory – Advanced Declined Theory – Chartism Assumptions of Technical Analysis.

### **Unit 5: GLOBAL MARKETS**

Global Investment Benefits - Introduction to ADRs, GDRs, FCCBs, Foreign Bonds, Global Mutual Funds – Relationship between Trends in Global Markets and Domestic Markets

# **PRINCIPLES AND PRACTICE OF AUDITING**

## **Unit 1: INTRODUCTION TO AUDITING**

Introduction – Meaning - Definition – Objectives – Differences between Accountancy and Auditing – Types of Audit - Advantages of Auditing – Preparation before commencement of new Audit – Audit Notebook – Audit Working Papers – Audit Program, Recent Trends in Auditing: Nature & Significance of Tax Audit – Cost Audit - Management Audit

## **Unit 2: INTERNAL CONTROL**

Internal Control: Meaning and objectives. Internal Check: Meaning, objectives and fundamental principles. Internal Check as regards: Wage Payments, Cash Sales, Cash Purchases. Internal Audit: Meaning - Advantages and Disadvantages of Internal Audit – Differences between Internal Check and Internal Audit.

## **Unit 3: VOUCHING**

Meaning - Definition – Importance – Routine Checking and Vouching – Voucher -Types of Vouchers

## **Unit 4: VERIFICATION AND VALUATION OF ASSETS AND LIABILITIES**

Meaning and Objectives of verification and valuation– Position of an Auditor as regards the Valuation of Assets

## **Unit 5: AUDIT OF LIMITED COMPANIES AND OTHERS**

Company Auditor – Appointment – Qualification - Powers, Professional Ethics of an Auditor.

## **6.2 THE INTEGRATED GOODS AND SERVICES TAX ACT, 2017**

### **Unit 1: INTRODUCTION**

A brief introduction of KGST, CGST, IGST and UTGST including Constitutional Amendments

### **Unit 2: Salient Features of The Integrated Goods and Services Tax Act, 2017**

### **Unit 3: The Integrated Goods and Services Tax Act, 2017;**

Definitions under IGST - Administration of IGST - Levy and Collection of IGST – Determination of nature of Supply of Goods – Place of Supply of Goods/ Services or both

### **Unit 4: GST and Technology:**

GST Network: Structure, Features, Vision and Mission – Powers and Functions

Goods and Services Tax Suvidha Providers (GSP): Concept, Framework, Eligibility to become GSP, Role and Benefits to taxpayers provided by GSP's– GSP Eco System

Problems on Computation of Tax for a given set of data, Problems on calculation of ITC on Inter-state transactions, Problems on Input and Output Tax.