

# **M. Com Entrance Test Syllabus 2020 onwards for B. Com (General) & B. Com (Honours)**

**Note:** *The syllabus prescribed for the entrance test has been divided into Fifteen (15) units. Each unit carries a weightage of Four (4) marks. Paper setters are required to set Four (4) Multiple Choice Questions (MCQs) from Fifteen (15) units of prescribed syllabus, giving uniform representation to the whole syllabus contained herein.*

## **Unit – I**

Planning: Significance, Process of planning, types of plans; Limitations of Planning. Decision Making: SWOT Analysis, Management by objectives, Management by exception. Organizing: organizational structure and design, line-staff authority, decentralization, delegation of authority, Span of Control, types of Organizational structure.

## **Unit – II**

Leadership: Concept and significance, leadership styles, Leadership Theories, Motivation: Concept and importance, Motivational theories (Maslow's Need hierarchy theory, Herzberg Two factor theory). Directing: Concept, importance and components. Controlling: Meaning and significance, process, requirements of effective control, control techniques-quantitative and qualitative measures of control.

## **Unit – III**

Indian Income Tax Act 1961. Basic concepts – assessment year, previous year, person, assessee, Agricultural income- concept, aggregation of agricultural and non-agricultural portion, incomes exempted from tax, incidence and residential status of individuals, firms and companies. Computation of income from salaries for tax purpose.

## **Unit – IV**

Computation of income from house property for tax purpose.  
Computation of income from business & profession for tax purpose.  
Computation of income from capital gains for tax purpose.  
Computation of income from other sources for tax purpose.  
Deductions from Gross Total Income.

## **Unit – V**

Meaning and Characteristics of a company; lifting of corporate veil; types of companies including one-person company, small company and dormant company; association not for profit; illegal association; formation of company, promoters, their legal position, pre-incorporation contract. Memorandum of association: Clauses, Articles of association: Contents of Articles of Association. Doctrine of constructive notice and indoor management prospectus: shelf and red herring prospectus, Misstatement in prospectus.

## **Unit – VI**

Director: Qualifications, Disqualifications, types, powers and duties, appointment and removal, director identity number. Key managerial personnel. Types of meeting: Statutory meeting, AGM, Extraordinary General Meeting, BODs meeting, Class meeting. Committees of Board of Directors - Audit Committee, Corporate Social Responsibility Committee: Constitution and purpose. Winding Up - Concept and modes of Winding Up. Insider-Trading, Whistle-Blowing - Insider-Trading; meaning and legal provisions; Whistle-blowing: Concept and Mechanism.

## **Unit – VII**

Contract Act: Meaning and essential elements of a valid contract, types of contracts, performance of contracts, termination and discharge of contracts and its remedies, void agreements, quasi contracts.

The Sale of goods Act: Contract of sale, warranty and implied conditions in sales contract, sale as distinguished from agreement to sell, performance of contract of sale, rights of an unpaid seller.

## **Unit –VIII**

Negotiable Instruments Act: definition, nature, prerequisites and types of negotiable instruments, parties to negotiable instruments and their duties, rights and liabilities, special rules for cheques and drafts, dishonor of instruments, holder in course.

Salient Features of LLP. Differences between LLP and Partnership, LLP and Company. Incorporation Document. Incorporation by Registration.

## **Unit – IX**

Accounting: Concepts and significance, Accounting Cycle, Business entity concept, Going concern concept, money measurement concept, Dual aspect concept, Historical cost concept, Matching concept, Realization concept.

Accounting Conventions: Convention of Materiality, full disclosure, Consistency and conservatism. Indian Accounting Standards: Study of AS-1, AS-2, AS-3, AS -4, AS-5, AS-6, AS-7, AS-8, AS-9, AS-10, AS-11, AS-12, AS-13, AS-14, AS-15.

## **Unit – X**

Accounting for Hire-Purchase Transactions, Journal entries and ledger accounts in the books of Hire Vendors and Hire purchaser for large value items including Default and repossession. Consignment: Features, Accounting treatment in the books of the consignor and consignee. Joint Venture: Accounting procedures: Joint Bank Account, Records Maintained by Co-venturer of (a) all transactions (b) only his own transactions. (Memorandum joint venture account).

## **Unit – XI**

Accounting for Inland Branches: Concept of dependent branches; accounting aspects; debtors system, stock and debtors system, branch final accounts system and whole sale basis system. Independent branches: concept- accounting treatment: important adjustment entries and preparation of consolidated profit and loss account and balance sheet.

## **Unit – XII**

Accounting for Share Capital & Debentures: Issue, forfeiture and reissue of forfeited shares; concept & process of book building; Issue of rights and bonus shares; Buy back of shares; Redemption of preference shares; Issue and Redemption of Debentures. Valuation of Goodwill and Valuation of Shares: Concepts and calculation: simple problem only  
Final Accounts of Companies: Preparation of profit and loss account and balance sheet of corporate entities, excluding calculation of managerial remuneration, Disposal of company profits. Cash Flow Statement: Concept of Funds, Preparation of Cash Flow Statement as per Indian Accounting Standard (Ind – AS:7)

### **Unit – XIII**

Amalgamation of Companies: Concepts and accounting treatment as per Accounting Standard: 14 (ICAI) (excluding inter- company holdings). Internal reconstruction: concepts and accounting treatment excluding scheme of reconstruction.

Accounts of Holding Companies/Parent Companies: Preparation of consolidated balance sheet with one subsidiary company; Relevant provisions of Accounting Standard: 21 (ICAI).

### **Unit – XIV**

Cost Accounting: Meaning, objectives and advantages of cost accounting; Difference between cost accounting and financial accounting. Cost concepts and cost, installation of a costing system; Elements of Cost; Role of a cost accountant in an organization.

Materials: Material/inventory control techniques. Accounting and control of purchases, storage and issue of materials. Methods of pricing of materials issues — FIFO, LIFO, Simple Average, Weighted Average, Replacement, Standard Cost. Treatment of Material Losses.

Labour:

Accounting and Control of labour cost. Time keeping and time booking. Concept and treatment of idle time, over time, labour turnover and fringe benefits.

### **Unit – XV**

Overheads: Classification, allocation, apportionment and absorption of overheads; Under and over-absorption.

Methods of Costing: Unit costing, Job costing, Contract costing. Process costing (process losses, valuation of work-in-progress, joint and by-products), Service costing (only transport); Reconciliation of cost and financial accounts.