

GUJARAT TECHNOLOGICAL UNIVERSITY

DIPLOMA IN COMMERCIAL PRACTICE

TEACHING SCHEME (w. e. f. 10th Jan,' 11)

SEMESTER- VI

Sr. No	SUB. CODE	SUBJECT	TEACHING SCHEME (HOURS)			CREDITS
			THEORY	TUTORIAL	PRACTICAL	
1	365401	Taxation Law & Practice - II	3	0	2	5
2	365402	Financial Accounting – V	4	0	2	6
3	365403	Banking Theory & Practice	3	0	2	5
4	365404	Insurance Practice	3	0	0	3
5	365405	Merchant Banking & Financial Services	3	0	0	3
6	365406	Computer - VI	2	0	4	6
		TOTAL	18	0	10	28

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SEMESTER-VI

Subject Code : 365401

Subject Name: **Taxation Law And Practice - II**

Sr. No.	Subject Content	Hrs.
1.	1.0 Profit and Gains from Business & Profession: Meaning of business and profession Incomes included under profits and gains of business Deductions expressly allowed General Deductions Specific deductions Expenses expressly disallowed Computation of income from business and profession(Simple example)	9
2.	2.0 Capital Gains: Meaning of capital assets <ul style="list-style-type: none"> • Meaning and kinds of capital gains • Exempted capital gains • Cost of acquisition – Cost of improvement • Set off and Carry forward of Capital loss 	5
3.	3.0 Income from Other Sources: <ul style="list-style-type: none"> • Income chargeable under this head • List of some other Incomes • Interest on securities <ul style="list-style-type: none"> ➤ Important points about chargeability ➤ Kinds of securities ➤ Grossing up of interest ➤ Bond washing Transactions ➤ Computation of taxable income from other sources (including interest on securities)(simple examples) 	7
4.	4.0 Miscellaneous : <ul style="list-style-type: none"> • Set off and carry forward of losses • Unexplained incomes - investment and cash • Employer's liabilities of tax deducted at source (TDS) 	7

	<ul style="list-style-type: none"> • Penalties and punishments under IT act 	
5.	5.0 Value Added Tax: Introduction Gujarat value added tax act-2003 Gujarat value added tax rules Gujarat value added tax (simple examples)	9
6.	6.0 Service Tax: <ul style="list-style-type: none"> • Introduction • Important points about service tax • Procedure of service tax List of services covered under service tax	5
	Total	42

Instructions for paper-setter :

1. Weightage-Theory-60% & Practical Problems-40%
2. Objective Questions/short questions should also be asked
3. Level of Practical Problems should be elementary.

Text Books :

1. Taxation – Rana & Dalal, Sudhir Prakashan, Ahmedabd

References Books:

1. Law and practice of income – Tax – Dinkar Pagare –Sultan chand & sons, New Delhi.
2. Direct Taxes Law & Practice – V. K. Singhania – Taxmann Allied Services Pvt. Ltd. New Dellhi.
3. student Guide to income Tax – V. K. Singhania – Taxmann Allied Services Pvt. Ltd. New Dellhi.

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SEMESTER-VI

Subject Code : 365402

Subject Name: **Financial Accounting-V**

Sr. No.	Subject Content	Hrs.
1	1.0 Capital Reduction in a Company (Internal Reconstruction of a Company): <ul style="list-style-type: none"> • Methods of reducing share capital • Accounting Entries for reducing share capital • Preparation of capital reduction account • Balance sheet of the company after capital reduction 	8
2	2.0 Liquidation of Companies (Voluntary Liquidation / Liquidator's Accounts): <ul style="list-style-type: none"> • Modes of winding up of companies • Circumstances and procedure of voluntary winding up • Liquidator's receipts & payments • Liquidator's remuneration • Liquidator's statement of accounts 	7
3	3.0 Fund Flow Statement: <ul style="list-style-type: none"> • Meaning of fund • Utility of Fund Flow statement • Sources & application of fund • Working capital statement • Adjusted profit & loss account • Preparation of Fund Flow statement 	11
4	4.0 Valuation of Goodwill: <ul style="list-style-type: none"> • Definition of goodwill • Factors affecting value of goodwill • Circumstances for the need of valuation of goodwill • Methods for the valuation of goodwill (with practical problems) 	7

5	5.0 Valuation of Shares of a Company: <ul style="list-style-type: none"> • Need for the valuation of shares • Factors affecting value of shares • Methods of valuation of shares (with practical problems) 	7
6	6.0 Auditor's Report & Auditor's Certificate: <ul style="list-style-type: none"> • Meaning & importance of an audit report • Contents of audit report • Points to be considered while preparing an audit report • Concept of 'True & Fair view' • Clean and qualified audit report • Difference between Clean and qualified audit report • Specimen of audit report • Audit certificate – Meaning significance & specimen • Difference between audit report and audit certificate 	9
7	7.0 Liabilities of an Auditor: <ul style="list-style-type: none"> • Liabilities under companies act – Civil liability & criminal liability • Liability of an auditor to third party • Legal decisions of following court cases <ul style="list-style-type: none"> ➤ London oil storage co. Ltd. V/S Seers Hasluck & Co. ➤ Kingstone cotton mills co.Ltd. ➤ London & General Bank Ltd. ➤ Commissioner of Income Tax V/S G.M.Dandekar ➤ Union Bank of Allahabad 	7
	Total	56

Note:

Elementary level should be taken in to consideration for topics No.1 to 5

Instructions for paper-setter :

1. Weightage-Theory-40%(including auditing) & Practical Problems-60%
2. Objective Questions/short questions should also be asked.
3. Level of Practical Problems should be elementary.

Text Books :

1. Advance Accountancy(for S.Y. & T.Y. B.com.) – Rana & Dalal B.S.Shah / Sudhir Prakashan.
2. Practical Auditing - B. N. Tandon

References Books:

1. Accountancy - Shukla & Grewal
2. Corporate Accounting – S.N. Maheshwari
3. Accountancy – Chakravarti
4. Advance Accountancy – Gupta & Radha swamy

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DIPLOMA IN COMMERCIAL PRACTICE

SEMESTER-VI

Subject Code : 365403

Subject Name: **Banking Theory and Practice**

Sr. No.	Subject Content	Hrs.
1	1.0 Banker & Customer : <ul style="list-style-type: none"> • Definition of Banking – Definition of customer • General Relationship between Banker & Customer in connection with various deposit accounts. • Obligation of Banker to his customer and customer to banker. • Banker's right of set Off. • Banker's right of lien. 	5
2	2.0 Accounts of Customer : <ul style="list-style-type: none"> • Procedure & Practice in opening & operating the saving, current & term deposit accounts with facilities of ATM and other modern facilities – ATM operating procedure & merits / services. • Procedure & practice in conducting the accounts of following customer. <ul style="list-style-type: none"> ➤ Individual including minor & joint account holders. ➤ Electronic transfer of money ➤ Partnership firms & J. H. Family's firm. ➤ Joint stock Co. with limited liabilities & Pvt. Co. ➤ Executors & Trustee. ➤ Schools, Colleges & club – Association etc. ➤ Account of drunkards, unsound mind, insolvent married women etc. – steps to be taken on death, lunacy, bankruptcy, winding up or in case of Garnishee order. ➤ Account of NRI – in Home Currency & Foreign Currency & Services. 	7
3	3.0 Services to the Customers: <ul style="list-style-type: none"> • Agency Services • Remittance services- Bank draft, Mail Transfer & telegraphic transfer & E- mail transfer. • Safe custody & safe deposit vault – procedure & practice to be followed by banker & customer. • Credit card & Debit Card. 	5

	<ul style="list-style-type: none"> • Merchant Banking – A brief idea about project counseling feasibility reports – Term finance – Underwriting service – Depository participants services Debenture trustee. • Mobile Banking 	
4	4.0 Employment of Bank Fund : <ul style="list-style-type: none"> • Sources of Bank fund. • Principles of sound lending and the rating of securities for bank investment i.e. safety, Marketability, Stability in price & yield – study of financial reports. • Classification of Loan/Advances. • Meaning & Classification of securities – different methods of charging the securities – pledge, Hypothecation & Mortgage & its types – Assignment etc. • Margin – Factors affecting to the margin of securities. 	5
5	5.0 Loan & Advances : <ul style="list-style-type: none"> • Precautionary Measures to be taken while creating Loans against the following securities. • Goods – Raw-materials –stock in process & finished goods. • Document of title to goods – bill of lading, Railway receipt, lorry receipt, Whare figures certificate & warehouse keeper's certificate. • Stock Exchange Securities – Share certificates – debentures bonds – deposits receipt etc. • LIC's policy – Fixed deposit receipt, NSC treasury bills & G.P. Notes etc. • Land, Building, Leasehold property and fixed M/Cs & plants, sheds etc. • Loan to professional – Doctors – Engg. – Small Scale Industries & educational loan etc. 	7
6	6.0 Banking System in India : <ul style="list-style-type: none"> • Reserve Bank As an – Apex bank – as a Regulatory Bank, promotion role of RBI, Nationalized Banks, SBI & Comm. Banks. • Structure of Comm. Banks, scheduled Banks & Private Banks & Three tire Structure of Co-operative Banks. • Regional Rural Bank – N A B A R D (National Bank for agriculture and rural development) & its mains function – Export and Import Bank. • Non-banking finance corporations like IFCI, IDFC, HDFC, IDBI 	7

7	7.0 Foreign Exchange : <ul style="list-style-type: none"> • Meaning of foreign exchange and Rate of foreign exchange. • Authorized dealers in foreign exchange and brief idea about its function. • A brief idea on foreign exchange dealing of comm. Bank. 	6
	Total	42

Instructions for paper-setter :

1. Objective Questions/short questions should also be asked.
2. Proper weightage should be given according to practical importance of the topics.

Text Books :

1. Tannan's Banking – Theory & Practice in India Orient Law House New Delhi.

References Books:

1. Banking Theory and Practice – Sherlekar & Sherlekar, Vikas Publishing House Pvt. Ltd. New Delhi.
2. Banking Law and practice – P. N. Varshney, Sultan chand & sons, New Delhi
3. Law & Practice of Banking – Bedy. Shenoy & Subramaniun, Student agency.
4. Banking Theory and Practice- P. K. Srivastav

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SEMESTER-VI

Subject Code : 365404

Subject Name: **Insurance Practice**

Sr. No.	Subject Content	Hrs.
1	1.0 Introduction to Insurance Practice: <ul style="list-style-type: none">• Purpose & need of insurance• Insurance as a social security tool• Role of insurance in economic development	5
2	2.0 Principles & Types of Insurance: <ul style="list-style-type: none">• Principles of insurance• Types of insurance – Life , Fire insurance , Marine insurance , Medical & General Insurance• LIC, GIC and Other insurance agencies in India• Privatization of insurance business in India	9
3	3.0 Becoming an Insurance Agent: <ul style="list-style-type: none">• Procedure for becoming an agent• Pre-requisite for obtaining license• Duration of license• Cancellation of license• Revocation / Suspension / Termination of agent• Code of conduct of insurance agent• Unfair practices committed by insurance agent	5
4	4.0 Role of an Agent: <ul style="list-style-type: none">• Proposal and other forms for grant to cover financial and medical underwriting• Material information• Nomination and Assignment• Procedure regarding settlement of policy claim• IRDA (Licensing of corporate agents) Regulation – 2002 important provisions	7

5	5.0 Computation of Premium and Bonus: <ul style="list-style-type: none"> • Premium calculation – including rebates • Mode of rebate • Large sum assured policies rebate • Extra premium • Under premium • Computation of benefits • Surrender values • Paid up values 	7
6	6.0 Rural Insurances (Risk Coverage – Sum Insured –Premium Calculation and Claim Settlement) : <ul style="list-style-type: none"> • Obligations of insurers to the rural sector • Rural policies • Role of Govt. • Cattle and sub animals insurance • Plantation and horticultural insurance • Agricultural properties policies • Gamine accidentance policies 	9
	Total	42

Instructions for paper-setter :

3. Objective Questions/short questions should also be asked.
4. Proper weightage should be given according to practical importance of the topics.

Text Books :

1. Life Insurance - Insurance Institute of India-Mumbai
2. Insurance Principles and Practice – Mishra M. N.

References Books:

1. Life Insurance - Balchandram
2. General Insurance – Insurance Institute of India -Mumbai
3. Life Insurance – Gupta O. S.

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DIPLOMA IN COMMERCIAL PRACTICE

SEMESTER-VI

Subject Code : 365405

Subject Name: **Merchant Banking & Financial Services**

Sr. No.	Subject Content	Hrs.
1	1.0 Merchant Banking: <ul style="list-style-type: none"> • Meaning • Scope of Merchant Banking activities • Functions of a merchant banker • Registration of a merchant banker • Issue management (meaning – types of issues in brief – role of issue manager) 	7
2	2.0 Financial Services: <ul style="list-style-type: none"> • Meaning and significant • Features and functions • Functions financial service institutions • Financial service in India 	7
3	3.0 Mutual Fund: <ul style="list-style-type: none"> • Meaning • Advantages of mutual fund • Types of mutual fund schemes (open ended –closed ended – growth – equity oriented – income/debt oriented-balance fund- money market or liquid fund- gilt fund-index fund – tax saving scheme –exchange traded fund) (only concept of the schemes /funds) 	5
4	4.0 Types of Financial Services : (ONLY CONCEPT, ADVANTAGES AND DISADVANTAGES) <ul style="list-style-type: none"> • Merchant banking • Lease finance • Housing finance • Venture capital Factoring	7

5	5.0 Capital Market: <ul style="list-style-type: none"> • Introduction • Elementary idea of primary and secondary market • Role and functions of stock exchange • List of stock exchanges in India • Dematerialization of securities traded in stock exchange • Depository and depository participants • Demat procedure • Remat procedure • Players in secondary market 		7
6	6.0 Terminologies Use in Merchant Banking and Financial Services:		9
	<ul style="list-style-type: none"> • Bankers to the issue • Draft prospectus • Private placement • GDR • ADR • Euro Depository bond(EDB) • IPO • FPO • Listing • Lead manager • NSDL • CDSL • BSE • NSE • Debit card 	<ul style="list-style-type: none"> • Book-building • NAV • M.F. Asset allocation fund • Ex-dividend date • Plan switch over • SIP • Record date • Zero coupon bond • Refinancing • Consortium financing • Investment bank • Seed capital • Credit rating • Credit card • Micro finance 	
Total			42

Instructions for paper-setter :

1. Objective Questions/short questions should also be asked
2. Level of the Subject is elementary.

Text Books:

1. Merchant banking and financial services -Dr. K. Ravichandran – Himalaya Publishing House

References Books:

1. A Manual of merchant banking – Vasant desai – Himalaya Publishing House
Financial Services – M. Y. Khan - TMG – New Delhi

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SEMESTER-VI

Subject Code : 365406

Subject Name: **COMPUTER -VI**

Sr. No.	Subject Content	Hrs.
1.	1.0 Accounting on Computers: <ul style="list-style-type: none">• Accounting system• Benefits of accounting of computers• Factors contributing to change• Challenges associated with accounting on computers• Solutions	3
2.	2.0 Tally Fundamentals: <ul style="list-style-type: none">• Introduction to tally• Feature of tally• Technology• Getting Functional with tally• Creation / Setting up Company in tally• Company Features (F11)• Configure (F12)	5
3.	3.0 Processing Transactions in Tally: <ul style="list-style-type: none">• Ledgers and Groups• Accounting Vouchers• Practical on recording transactions	7
4.	4.0 Report Generation : <ul style="list-style-type: none">• Financial Reports in tally<ul style="list-style-type: none">Balance sheetProfit and loss accountAccount booksDay BooksList of accounts	4

5.	5.0 Introduction to Autocad: <ul style="list-style-type: none"> • Meaning and its use. • General introduction to drawing editor. • AutoCAD Menu • AutoCAD Icons. • AutoCAD commands such as line Pline, Circle, Ellipse, Offset, hatch, Hatch Arc, Scale, Zoom Pan, Measure, Brake, Trim, Erase, Oops, Redraw, Copy, Fillet, Donut, Mirror, Move, Rotate Colour, Block, Insert, Array, Solid, Text, Dtext, Limit, Distance, Paste clip, Extend, Explode, Print, Plot, Wblock, Minsert etc. 	9
	Total	28

Instructions for paper-setter :

1. Weightage-Tally-70% & Autocad-30%
2. Objective Questions/short questions should also be asked.
3. Level of subject is elementary.

Text Books:

1. Tally financial Accounting Program – volume-I
2. Autocad 2000

References Books:

1. Financial accounting (Tally) – CDAC