

## SEMESTER-V B.Com

### Discipline Specific Core Course- 5.1(DSC-5.1): Income Tax Law and Practice

| Course title & Code                               | Credits | Credit distribution of the course |          |                     | Eligibility criteria | Pre-requisite of the course (if any) |
|---------------------------------------------------|---------|-----------------------------------|----------|---------------------|----------------------|--------------------------------------|
|                                                   |         | Lecture                           | Tutorial | Practical/ Practice |                      |                                      |
| Income Tax Law<br><br>and<br>Practice<br>DSC- 5.1 | 4       | 3                                 | 0        | 1                   | Pass in Class XII    | NIL                                  |

### Learning Objectives

The course aims to impart knowledge of law pertaining to levy of income tax in India.

### Learning Outcomes:

After completion of the course, learners will be able to:

1. Describe the basic concepts of income tax and determine the residential status of different persons.
2. Compute income under the heads 'salaries' and 'income from house property'.
3. Compute income under the heads 'profits and gains of business or profession' and 'capital gains'.
4. Compute income under the head 'income from other sources' and recognise the provisions relating to income of other persons included in assessee's total income
5. Discuss the various deductions and computation of total income and tax liability of individuals.

### SYLLABUS OF DSC-5.1

#### Unit 1: Introduction (9 hours)

Basic concepts: Income; Agricultural income, Person, Assessee, Assessment year, Previous year, Gross Total Income, Total income, Maximum marginal rate of tax and Permanent Account Number (PAN); Residential status: Scope of total income on the basis of residential

## **Unit 2: Computation of Income from Salaries and House Property (11 hours)**

Income from Salaries; Income from House Property.

## **Unit 3: Computation of Income from Business or Profession and Capital Gains (11 hours)**

Profits and gains of business or profession; Capital gains.

## **Unit 4: Income from Other Sources, Clubbing of Income and Set-off (7 hours)**

Income from other sources; Income of other persons included in assessee's total income; Aggregation of income and set-off and carry forward of losses.

## **Unit 5: Deductions and Computation of Total Income and Tax Liability (7 hours)**

Deductions from gross total income; Rebates and reliefs; Computation of total income and tax liability of individuals (On-line filing of Returns of Income & TDS).

### **Practical Exercises:**

The learners are required to:

1. Prepare a case study for a person resident but not ordinarily resident in India having income under the head other sources of income.
2. Prepare a presentation indicating the impact of alternative tax regime structure on the tax liability of an assessee.
3. Present a hypothetical case wherein the impact of change in the capital gains taxes are reflected as per the relevant Financial Act.
4. Learn about various tax services available on the official website of Government of India.
5. Prepare a list of tax deductions available in case of a senior citizen.
6. Explore and attempt on-line filing of Returns of Income & TDS on Income tax e-filing website under ITR-1 and ITR-2.

### **Suggested Readings:**

- Ahuja, G., & Gupta, R. (2022). *Simplified Approach to Income Tax*. Delhi, India: Flair Publications Pvt. Ltd.
- Bandopadhyaya, S. B. (2019). *Taxation I, II*. Delhi, India: Oxford University Press.
- Mittal, N. (2019). *Concept Building Approach to Income Tax Law & Practice*. Delhi, India: Cengage Learning India Pvt. Ltd.

- Singhanian, V. K., & Singhanian, M. (2021). *Students' Guide to Income Tax, University Edition*. Delhi, India: Taxmann Publications Pvt. Ltd.

### Additional Resources

- Current Tax Reporter. Jodhpur, India: Current Tax Reporter.
- Income Tax Reports. Chennai, India: Company Law Institute of India Pvt. Ltd.
- Corporate Professionals Today. Delhi, India: Taxmann.

**Note: Suggested readings will be updated by the Department of Commerce and uploaded on the Department's website.**

### Discipline Specific Core Course- 5.2(DSC-5.2): Business Economics

| Course title & Code                              | Credits  | Credit distribution of the course |          |                     | Eligibility criteria     | Pre-requisite of the course (if any) |
|--------------------------------------------------|----------|-----------------------------------|----------|---------------------|--------------------------|--------------------------------------|
|                                                  |          | Lecture                           | Tutorial | Practical/ Practice |                          |                                      |
| <b>Business Economics</b><br><br><b>DSC- 5.2</b> | <b>4</b> | <b>3</b>                          | <b>1</b> | <b>0</b>            | <b>Pass in Class XII</b> | <b>NIL</b>                           |

### Learning Objectives

The course aims to acquaint the learners with Microeconomics and its applications.

### Learning Outcomes:

After the completion of the course, the learners will be able to:

1. Examine the nature and scope of business economics.
2. Analyse how consumers try to maximize their satisfaction by spending on different goods.
3. Evaluate the relationship between inputs used in production and the resulting outputs and costs.
4. Analyse and interpret various facets of and pricing under different market situations.
5. Discuss the contemporary issues and applications in micro economics.

## SYLLABUS OF DSC-5.2

### Unit 1: Introduction to Business Economics (5 hours)

Nature and scope of Business Economics, Demand and Supply: Meaning, law, Individual Vs Market, Movement Vs Shift, Market equilibrium. Elasticity of Demand: Price, income and cross elasticity. Measurement of elasticity of demand: outlay and percentage method. Elasticity of supply: concept and measurement (Percentage method).

### Unit 2: Consumer Behaviour (11 hours)

Cardinal Vs Ordinal Utility, Indifference curves: features, budget line, consumers equilibrium, ICC and Engels curve, PCC and derivation of demand curve, Income and substitution effects of price change (normal, inferior and giffen goods), Applications: effect of interest rates on household savings, lumpsum subsidy Vs excise subsidy.

### Unit 3: Production and Cost (11 hours)

Production function: TP, AP and MP, Law of Variable proportions. Isoquants: properties, optimal combination of resources, expansion path and returns to scale.

**Cost:** Different cost concepts, Derivation of short run and long run cost curves (LAC and LMC), Economies and Diseconomies of scale.

### Unit 4: Market Structures (11 hours)

Perfect competition: features, equilibrium under short run and long run, derivation of supply curve under short run and long run.

Monopoly: features, equilibrium under short run and long run, absence of supply curve, Price discrimination: degrees, conditions and dumping.

Monopolistic competition: features, product differentiation and excess capacity and equilibrium.

Oligopoly: Collusive and non-collusive: Cournot's model, Kinked demand curve, Cartels (OPEC and CIPEC)

### Unit 5: Contemporary Issues and applications (7 hours)

Rent control, Minimum wages, Individual supply curve of labour, Peak load Pricing, Prisoners' dilemma and Game Theory.

#### Exercises:

The learners are required to:

1. Apply the concept of elasticity of demand and supply in real life.
2. Analyse the impact of changing prices on consumption of necessities by a household.
3. Visit any manufacturing unit and study its production process and costing.
4. Analysis of OPEL as a case of a successful cartel.

## 5. Comment on contemporary issues and applications of income tax law

### Suggested Readings:

- Baye, M., & Prince J. (2021). *Managerial Economics and Business Strategy*. (3<sup>rd</sup> ed.). New York, United States: McGraw Hill.
- Case, K. E., & Fair, R. C. (2017). *Principles of Economics*. (12<sup>th</sup> ed.). London, United Kingdom: Pearson Education.
- Deepashree (2021). *Business Economics*. Delhi, India: MKM Publisher.
- Gillespie, A., (2013). *Business Economics*. Oxford, United Kingdom: Oxford University Press. (2<sup>nd</sup> ed.)
- Gupta, G. S. (2011). *Managerial Economics*. Delhi, India: McGraw Hill (2<sup>nd</sup> ed.)
- Maddala, G. S., & Ellen, M. (2017). *Microeconomics Theory and Applications*. Delhi, India: Tata McGraw Hill.
- Mankiw, N. G., Ashwin A., & Taylor, M. P. (2019). *Business Economics*. United Kingdom: Cengage Learning.
- Miller, R. L. (1982). *Intermediate microeconomics: theory, issues, applications*. New York, United States: McGraw-Hill Companies.
- Pindyck, R., & Rubinfeld, D. (2017). *Microeconomics*. (8<sup>th</sup> ed.). London, United Kingdom: Pearson education.
- Salvator, D., & Rastogi S. K. (2016). *Managerial Economics: Principles and Worldwide Applications*. (8<sup>th</sup> ed.). Delhi, India: Oxford University Press.
- Samuelson, P. A., Nordhaus, W. D., Chaudhari, S., & Sen, A. (2019). *Economics (SIE)*. (20<sup>th</sup> ed.). New York, United States: McGraw-Hill.

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### Discipline Specific Core Course- 5.3(DSC-5.3): Management Accounting

| Course title & Code               | Credits | Credit distribution of the course |          |                     | Eligibility criteria | Pre-requisite of the course (if any) |
|-----------------------------------|---------|-----------------------------------|----------|---------------------|----------------------|--------------------------------------|
|                                   |         | Lecture                           | Tutorial | Practical/ Practice |                      |                                      |
| Management Accounting<br>DSC- 5.3 | 4       | 3                                 | 0        | 1                   | Pass in Class XII    | Studied DSC-4.2 (Cost Accounting)    |

## Learning Objectives

The course aims to enable students to acquire knowledge of concepts, methods and techniques of management accounting for the purpose of managerial planning, control and decision making.

## Learning Outcomes:

After completion of the course, learners will be able to:

1. Examine the conceptual framework of Management Accounting and identify the differences between various forms of accounting.
2. Analyse budgetary control system as a tool of managerial planning and control
3. Evaluate the standard costing system as a tool of managerial control.
4. Recognise the concept of marginal costing and cost-volume-profit analysis.
5. Analyse techniques of decision making.
6. Discuss the concept of responsibility accounting and performance measurement.

## SYLLABUS OF DSC-5.3

### Unit 1: Introduction to Management Accounting

Meaning, objectives, nature and scope of management accounting, Difference between different forms of accounting- Cost, Financial and Management accounting, Cost control and Cost reduction.

### Unit 2: Budgetary Control and Standard Costing Systems

**(a) Budgeting and Budgetary Control:** Concept of budget, budgeting and budgetary control; objectives, merits and limitations; Functional Budgets; Fixed and Flexible budgeting; An overview of different approaches to budgeting (Zero base budgeting, Performance budgeting and Programme budgeting)

**(b) Standard Costing and Variance Analysis:** Meaning of standard cost and standard costing; advantages, limitations and applications; Variance Analysis – material, labour, overheads and sales variances. Control ratios.

### Unit 3: Marginal Costing

Concept of marginal cost and marginal costing; Absorption versus Variable Costing: Distinctive features and income determination; Cost-volume-profit analysis; Break-even

Analysis-Statements, mathematical and graphical approaches; Profit-volume ratio, angle of incidence, margin of safety, key factor, determination of cost indifference point.

#### **Unit 4: Decision Making**

Steps in Decision making process. Concept of relevant costs. solving various short -term decision making problems using marginal costing and differential costing techniques – Profitable product mix, Acceptance or rejection of special/ export offers, Make or buy, Addition or elimination of a product line, sell or process further, operate or shut down and Pricing decisions

#### **Unit 5: Performance Measurement**

Responsibility Accounting: Concept, Significance, Different Responsibility Centres;  
Divisional Performance Measurement: Financial and Non-Financial measures;

**Note: Spreadsheet may be used for doing basic calculations in Management Accounting and giving students subject related assignments for their internal assessment purposes.**

#### **Practical Exercises:**

The learners are required to:

The learners are required to:

1. Discuss differences between various forms of accounting.
2. Prepare different types of budgets.
3. Apply the concept of zero base budgeting on a select firm by collecting relevant data.
4. Visit any manufacturing unit and study the relevance of marginal costing.
5. Compute variances and perform analysis.
6. Perform cost-volume-profit analysis.
7. Compute the foreign export sales price for a domestic firm engaged in manufacturing goods/services.
8. Evaluate various decision making techniques using case studies.
9. Identify the responsibility centres of a pharmaceutical industry.
10. Discuss case studies on divisional performance measurement.

#### **Suggested Readings:**

- Arora, M. N. (2019). *Management Accounting*. Delhi, India: Himalaya Publishing House.
- Goel, R. K. & Goel, I. (2019). *Concept Building Approach to Management Accounting for B.Com(Hons.)*. Delhi, India: Cengage.
- Maheshwari, S. N. & Mittal, S. N. (2019). *Management Accounting*. Delhi, India: Shri Mahaveer Book Depot.
- Maheshwari, S. N., Maheshwari, S. K. & Maheshwari, S. K. (2021). *Principles of Management Accounting*. Delhi, India: Sultan Chand & Sons.
- Maheshwari, S. N. (2015). *Management Accounting and Financial Control*. Delhi, India: Sultan Chand & Sons.
- Shah, P. (2015). *Management Accounting*. Delhi, India: Oxford University Press.

- Singh, S. (2023). *Management Accounting*. Delhi, India: PHI Learning Pvt. Limited.
- Singh, S. K., & Gupta, L. (2021). *Management Accounting: Theory and Practice*. Delhi, India: A. K. Publications.
- Tulsian, P. C., & Tulsian, B. (2023). *Advanced Management Accounting*. Delhi, India: S. Chand.

#### Additional Readings:

- Drury, C. (2020). *Management and Cost Accounting*. China: Cengage.
- Horngren, C. T., Foster, G., & Dattar, S. M. (2002). *Cost Accounting: A Managerial Emphasis*. Delhi, India: Prentice Hall of India Ltd.
- Khan, M. Y., & Jain, P. K. (2021). *Management Accounting*. Delhi, India: Tata McGraw Hill Publishing Co.
- Usry, M. E., & Lawrence, H. H. (2010). *Cost Accounting: Planning and Control*. Nashville, United States: South Western Publishing Co.

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