

Tamil Nadu Public Service Commission
Syllabus
Financial and Cost Accountancy
(Final)

Code: 434

Unit I: Accounting (30 Questions)

- Accounting Standards–GAAP-AS-applicability, interpretation, scope and compliance-IFRS- Ind AS 2, 10, 115, 16, 21, 20, 23, 37 & 38.
- Company Accounts - Presentation of Financial Statements as per Schedule III of Companies Act 2013- Statement of Profit or Loss, Balance Sheet, Change in Equity, Cash flow statement
- Accounting of Banking, Electricity and Insurance Companies
- Accounting for Cooperative Societies
- Branch and Departmental Accounts(including foreign branches)
- Accounting for non-profit organizations and incomplete records
- Computerized Accounting System(ERP features and advantages)

Unit II: Auditing (30 Questions)

- Nature and scope and significance of auditing
- Audit Engagement, Audit Programme, Audit working papers, Audit note book audit evidence and audit report
- Internal check, internal control and internal audit-industry specific
- Reporting requirements of under companies act-report vs certificate, contents of the report and qualifications in the report.
- Cost audit and Secretarial audit
- Auditing of different types of undertaking-education, hospitals, cooperative societies, trusts.

Unit III: Financial Management (25 Questions)

- Meaning-objectives-scope of financial management
- Sources of Funds-Introduction of Financial Markets-Capital & Money Markets
- Tools for Financial Analysis- Ratio, Funds flow analysis, Cash flow analysis
- Cost of Capital, Capital Structure and Leverages
- Working Capital Management-Financing-Cash, Inventory, Receivables and Payables
- Capital Budgeting.
- Risk Management-risk measurement-risk analysis-Value at Risk (VAR)- Capital Adequacy Norms & Income Recognition Norms (NPA) in NBFCs.

Unit IV: Taxation (30 Questions)

- Direct Taxation-Residential Status-Heads of Income and Computation of Total Income under various heads- assessment of income of different persons - TDS/TCS/Advance Tax- Income Computation and Disclosure standards (Basic Concepts only) - Taxation as applicable to Government undertaking and Cooperative Societies. Due dates and compliances. Effects of non compliance and penalty. Tax audit provisions under I.T. Act
- Indirect Taxation- Canons of Taxation- Customs Law - Goods and Services Tax (GST) - CGST-SGST-IGST- Cess- Registration - Supply- Time of Supply-Value of Supply- Place of Supply-E-Invoicing, E-Way Bill, Input tax credit- Reverse Charge Mechanism (RCM) - Payment of Taxes, Penalties.

Unit V: Commercial Law, Industrial Law & Company Law (20 Questions)

- MSMED Act 2006.
- Laws and Regulations relating to Cyber Security and Data Protection.
- Factories Act
- Payment of Gratuity Act
- Employees Provident Fund Act 1952
- Employees State Insurance Act 1948
- Payment of Bonus Act 1965
- Minimum Wages Act 1948
- Companies Act 2013-Promotion - Formation and related procedures – Types– Appointment and duties of Directors, Loans and Deposits, CSR, Salient features of Insolvency and Bankruptcy Code.

Unit VI: Management Accounting (15 Questions)

- Introduction to Management Accounting - Relationship between Management accounting and cost accounting-Decision Making tools
- Analysis and Interpretation of Financial Statements
- Learning Curve- concepts and its application

Unit VII: Cost Management (10 Questions)

- Life Cycle costing
- Target Costing
- Kaizen Costing
- Value analysis and Engineering
- Throughput Costing
- Business Process Re-engineering
- Back flush costing
- Activity Based Costing (ABC).

Unit VIII: Decision Making Techniques (15 Questions)

- Marginal Costing-CVP analysis-Profit Volume Graph-Decision involving alternative choices - Make or Buy; Evaluation of Orders; Multiple scarce: Product sales
- Pricing Decisions - New Product pricing- use of costs in pricing – sensitivity analysis-monopoly pricing-competitive pricing-Transfer pricing - Costing of Service Sectors
- Variance Analysis and Reporting-Material, Labour, Overheads, Turnover and Profit.

Unit IX: Performance Evaluation & Improvement Tools (15 Questions)

- Balanced Score Card
- Supply Chain Management
- Key Performance Indicators (KPI) like ROI, Economic Value Added (EVA).
- Bench Marking
- Six sigma, Statistical Quality Control
- Plan-Do-Check Action
- Management Information Systems(MIS)

- Total Productivity Management(TPM)and Total Quality Management (TQM)
- SWOT analysis
- Profitability Analysis.

Unit X: Business Valuation (10 Questions)

- Meaning of Value, Valuation and Business Valuation
- Valuation Methods-Non Discounted cash flow method-Discounted Cash Flow Method- Free Cash flow Method, Net Present Value Method (NPV)- Profitability Index Method(PI) - Internal Rate of Return Method(IRR)
- Valuation of Inventory
- Valuation of Investments
- Valuation of Intangibles
- Valuation of Human Resources
- Valuation of Equity

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