

Most Important
Office of the Controller General of Defence Accounts,
West Block-V, R.K. Puram, New Delhi-110 066.

No. AN-I/1152/3/Trg. Committee/I

Dated: 23rd July 2007

To

The CDA (Training) &
Director, NIDFM,
Pune.

Subject: Review of the training of IDAS probationers.

Ref' ce : This HQrs. office letter of even No. dated 18th July 2007.

In pursuance of the objectives of the Committee set up to review the training of IDAS probationers and in terms of the parameters set out in para 4 of the above referred letter, the following sub-committees are formed for preparing reports on the modules assigned to them:

| Sl. No. | Module/Names of officers comprising the sub-committee | <u>Thrust Area</u> |
|----------------|--|--|
| 1. | Principles of Financial Management 1. Shri T.S. Kripanidhi, Jt.CGDA (Trg-II) 2. Smt. Anuradha Prasad, Jt.CGDA (IFA) | To develop understanding of various Macro level issues in the context of the challenges before national economy and globalized environment. A clear demarcation of the areas to be covered at NIFM, Faridabad and NIDFM, Pune would be desirable. |
| 2. | Regional Controller 1. Shri S.S. Sandhu, CDA (O), Pune. 2. Shri Rakesh Sehgal, IFA (MC), Nagpur. | Important aspects and principles of functioning involved in a Regional Controller's office so as to develop a comprehensive understanding of working therein and interrelationship between various functional units. A mix of theory, practical and field training may be desirable. |
| 3. | IFA System 1. Shri T.C. Joshi, Pr.IFA 2. Shri Rajnish Kumar, IFA (Air HQrs.), New Delhi. | Various aspects and principles involved in the functioning of the integrated financial advice system. A mix of theory, application and field training may be desirable. |
| 4. | Ordnance Factories 1. Dr. S.K. Sharma, PCDA(R&D), New Delhi. 2. Smt. Sanhita Kar, CDA, Jabalpur. | Important aspects and principles of functioning involved in the accounts office of an ordnance factory so as to develop a comprehensive understanding of working therein and interrelationship between various functional units. A mix of theory, application and field training may be desirable. |
| 5. | Information Technology 1. Shri Y. Raja Reddy, Addl. CDA, Secunderabad. 2. Shri Manish Tripathi, Dy.CGDA (EDPS) | In the context of Mission EXCEL-IT and imperative to put the DAD on fast track of IT adoption it would be necessary to carefully identify the DAD-specific training module (s). A clear demarcation of the topics to be covered at NIFM, Pune would be desirable. |

2. The Terms of Reference of the sub-groups would be to suggest:
 - a. additions/deletions of subjects to the existing syllabus under each module
 - b. detailed course contents for each subject/module
 - c. number of sessions/lesson plan for each module
 - d. teaching methodologies (like teaching, during tours, through seminars/workshops, tutorials, circulation of reading materials etc.)
 - e. number and kind of tours on the subjects covered and list of places to be visited and field activities to be shown
 - f. reference material and a list of probable resource persons.
3. Given the stringent time lines to be followed, it has been decided that the sub-committees **would submit their report to the Chairperson of the review committee by 30th August 2007**. The officer at serial no. 1 of each sub-committee will co-ordinate the activities of each sub-committee. The coordinator of

each sub-committee may co-opt one or two other officers as deemed fit for helping the sub-committee to draft its report/recommendations. Any desired information regarding the existing training module at NIFM, Faridabad/NIDFM, Pune would be obtained from Director, NIDFM. The progress of each of the sub-committees would be reviewed by periodical meetings of the main committee.

4. CGDA has approved planning of tours connected with the subject matter by members of sub-committees. However, fortnightly reports of tours undertaken, if any, may be forwarded to HQrs. office.

Sd/-

(Vishvajit Sahay)
Sr.Dy.C.G.D.A.(Admin.) &
Member Secretary

Copy to:

1. SPS to CGDA for kind information of CGDA.
2. All the members of Committee/Sub-Committees.
3. Personal files of the concerned officers.

Sd/-

(Vishvajit Sahay)
Sr.Dy.C.G.D.A.(Admin.) &
Member Secretary

Course curriculum for IDAS probationers at NIFM, Faridabad
(around 11 months)

SEMESTER - 1

PAPER : PRINCIPLES OF MANAGEMENT AND ORGANIZATIONAL BEHAVIOUR

CODE : 101

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To provide concepts and functions of organization and management relevant to a professional accountant and financial analyst and to provide an insight into certain concepts of behavioral sciences which are crucial to the various process of management.

CONTENT

UNIT-I

1. Fundamentals of Management
Evolution of Management Theory, The Management Functions, Managerial Roles
2. Process of Management
Approaches for understanding organization, Planning, Organizing, Staffing, Directing, Coordinating and Controlling
3. Organization Structure & Design

UNIT – II

4. Problem Solving & Decision Making Processes
5. Missions and Objectives of Business
6. Ethical aspects of Management

UNIT - III

7. Foundations of Organizational Behaviour
8. Foundations of individual Behaviour Attitudes; Values & Perception
9. Foundations of Group Behaviour
10. Motivation
11. Communication

UNIT-IV

12. Leadership
13. Conflict, Negotiations
14. Power & Politics
15. Organizational Culture
16. Organizational Change and Development

SEMESTER – 1

PAPER : ECONOMICS CODE : 102

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

The objective of this paper is to train the students in the area of Economic analysis to understand the behaviour of consumers, firms and industries and to provide an insight into certain concepts of macro economics which are crucial to the various process of management.

CONTENTS

UNIT-I

1. **Economics:** Introduction, theoretical Perspective, definitional aspects, scope and coverage.
2. **Managerial Economics :** Fundamental concepts – objectives of the Firm-environment of business – economic and non-economic elements and their interactions. Decision making.
3. **Consumer Behaviour :** Law of diminishing returns, indifference curve, equilibrium of consumer.
4. **Demand Decision :** Meaning of demand – types of demand – determinants of demand – demand functions – demand elasticity and demand estimates.

UNIT-II

5. **Production Decisions :** Firm's Behaviour in the short & long run. Product – input substitution – cost concepts- cost output relations –Production function.
6. **Pricing Decisions:** Determinants of price – pricing under different objectives – pricing under different market structures – perfect competition, monopoly, oligopoly (uncertainty and game theory) and monopolistic competition – pricing methods in practice.
7. **Indian Economy:** Introduction – its nature – its problems – present scenario in different sectors e.g. agriculture, industry, business, finance. Related policies of the Government, Process of growth in Indian Economy.
8. **National Income :** Concepts of GDP, GNP, NNP etc. National Income Accounting vis-à-vis Social Accounting – general concepts and recent trends – inflationary and deflationary gaps.
9. **Inflation :** Concept, causes and types of inflation – economic effects of inflation – inflation, unemployment etc. Recent trends of inflation in India.

UNIT-III

10. **Monetary Policy:** Different components of money supply – monetary theory and policy in practice – interest rate policy – role of RBI in monetary management – credit policy – financial institutions.
11. **Fiscal Policy:** Fiscal imbalance – Government expenditure – plan and non-plan expenditure – tax policy and reforms – Government borrowings, domestic and external.
12. **Theory of International Trade:** Introduction, Pure theory of international trade, Theory of comparative advantage.
13. **Management of External Sector:** Foreign trade policy-external commercial borrowings – borrowings from multilateral agencies – concessional borrowings – exchange rate policy and foreign exchange risk management – foreign exchange flow regulation – Foreign Exchange Management Act (FEMA) – foreign technology and companies.
14. **Balance of Payment:** Difference between balance of payment and balance of trade – current accounts and capital account – India's trade policy – trends in exports and imports.

UNIT-IV

15. **Business and Government:** Role of Government – review of development strategy – industrial policy – Industries (Development and Regulations) Act, 1951, Industrial Policy Resolution (IRP) 1956 – Monopolies and Restrictive Trade Practices (MRTP) Act, 1969 – five year plans – review of preceding five-year plan – overview of latest five year plan.
16. **Public Sector in India:** Industrial evolution in India, Role of public sector –organization of public sector – problems and prospects – State level PEs- emerging issues –employee participation and self management-MOU and performance evaluation – privatization and disinvestment in public sector.
17. **New Economic Reforms:** Liberalization wave in industrial licensing – controlling parallel economy – banking sector reforms – assessment of new economic reforms.

SEMESTER – 1

PAPER : INTRODUCTION TO COMPUTERS AND SSAD CODE : 103

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To ensure understanding and appreciation of broad nature and fundamentals of Electronics Data Procession and to prove the basic knowledge about computers, their workings and usefulness in the modern day Office Work. The course aims to equip the accountants with the skill to utilize computer in the area of his activity.

CONTENTS

UNIT-I

1. **Information Technology**
Hardware Architecture and its components, input processing and output devices: Computer Arithmetic and Number Systems. ANSI standard for characters.
2. **Software Features**
Systems software, operating systems, application software, object linking and embedding, collaborative computing software, enterprise application software, programming languages
3. **Organizing data and information**
Data Management, Data hierarchy, entities, attributes and keys, database concepts, database models, hierarchical, relational and network models, DBMS, data definition language, popular database management systems, data warehouses and data mining, online analytical monitoring

UNIT-II

4. **Telecommunications and Networks**
Network hardware, communication transmission, communication devices, network types, communication software and protocol, telecommunication software
5. **Internet, Intranets and Extranets**
Internet structure, use and functioning of Internet, Internet services, World Wide Web (WWW), Intranets and Extranets, privacy and security

UNIT-III

6. **Elements of MIS**
Management of an Enterprises, Information with an Enterprise – Need, Role and Importance, Enterprise as a system, Development of MIS Methodology & Tools/Techniques for systematic evolution of MIS, Relation of Computer Applications.
7. **System Development**
System Development Life Cycle, System Options, Planning, Control documentation & Quality Assurance, System Justification or Requirement Analysis.
8. **Structured System Analysis**
Human Dimension (Role of System Analyst), Information Gathering (Sources & Nature of Information, Tools of Information Gathering), System Analyst Tools (CASE Tools, Data Flow Diagrams, Data Dictionaries, Data Analysis, System Modeling, Drawing Structured System Specifications), Security and Control needs.

UNIT-IV

9. **Structured System Design**
File organization & Data Base Design, Form Design, Procedure Design (Procedure and Program Specification, Design & Documentation of Manual Procedures, Input/Output Procedures)
10. **System Implementation, Maintenance & Evaluation**
System Control & Quality Assurance – Design objectives reliability and Maintenance, Software Design and Maintenance – tools Units & Integration tools. Testing Practices & Plan System Controls, Audit Trails, System Administration and training conversion and operation plans.
11. **H/W & S/W Selection**
Acquisition, bench marking, vendor selection, Performance & Acceptance Criteria

SEMESTER – 1

**PAPER : INTRODUCTION TO COMPUTERS AND SSAD-
COMPUTER PRACTICAL
CODE : 104**

**External Marks – 75
Internal Marks – 25
Total Marks – 100**

Practical Syllabus

**Introduction to Computers
UNIT – I**

1. **Operating System:** Windows 2000 basic commands of Windows 2000 such as creating folders files, using windows explorer, windows 2000 security
2. **MS-Word:** Customization of Toolbars, Basic formatting commands, creating and handling tables, graphics, printing commands
3. **MS-Access:** Creating databases, querying databases, using forms, formatting the reports
4. **MS-Excel :** Moving around worksheet and work book, formatting of data in work sheets using mathematical functions, financial functions, data functions and string functions
5. **MS-Power Point:** Tool bars of power point, creating presentation and slides, inserting objects in slides, inserting text in slides, printing of slides, Templates and theses
- 6.

**UNIT-III & IV
(Either Java or Visual Basic/V.B. Net)**

JAVA

1. Introduction to object Oriented Programming: Simple concepts of classes and objects, Messages and methods inheritance.
2. Java Programming Basic: Identifying basic components of Java Programs: Distinguish between two types of Java Programmes-Applications and Applets: write simple java applications and applets: Creating and running Java Programmes: Using print and print methods.
3. Fundamental Data Types Understanding integer and floating point numbers: Writing arithmetic expressions in Java; using string type.
4. String Manipulation: Extracting sub strings: string concatenation, converting between string and numbers.
5. Introduction to Classes: Instance variables: implementing simple methods: Purpose and use of constructors.
6. Introduction to Applets and Graphics: Very brief HTML: Applets: Graphical Shapes Colors and fonts: reading text input.
7. Simple Controls, structures and concepts of exception handling.

SEMESTER – 1

PAPER : PUBLIC FINANCIAL ADMINISTRATION – I & II

CODE : 105

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

Providing the participants a broad understanding of the current theories and practices in Public Financial Administration. Helping the participants to identify contemporary issues in Public Financial Administration in India and to formulate solutions in the light of theories and practices. Helping the participants to understand taxation policy, management of public expenditure, public debt and budgetary techniques and practices. The coverage of the subject will be with special emphasis on Indian experience.

CONTENTS

UNIT-I

1. **Public Financial Administration**
 - Public Finance – Theory & Principles
 - Fiscal functions
 - Public Choice – provision for social goods
 - Principles of federal finance
 - Public financial administration in federal set up
2. **Public Expenditure**
 - Theory & Concept
 - Management and Control – Contemporary issues
 - Trends in Public Expenditure
3. **Budgeting**
 - Objectives & types of budget
 - Constitutional provisions for preparation and presentation of Budget
 - Finance Act & Appropriation Act
 - Linkage with Accounting and Economic Classification

UNIT-II

4. **Revenue**
 - Taxation – principles and approach to an efficient tax system
 - Tax Structure – Direct and Indirect Taxes
 - Incidence and impact of taxation – Laffer's curve
 - Non-tax revenue sources, user charges
 - Trends in Tax and Non-Tax Receipts
5. **Public Debt**
 - Meaning and types
 - Instruments – Treasury bills, bonds and other securities
 - Borrowing powers of Union and States
 - Role of RBI
 - External assistance – monitoring and management
6. **Modern Techniques in Budgeting**
 - Zero Base Budgeting
 - Performance Budgeting
 - Cash Budgeting: Cash Management and Treasury functions in Government
 - Other budgeting techniques
 - Budgetary reforms and New Public Management

UNIT-III

7. **Central Government Budgeting Process**
 - Plan & Non-Plan expenditure
 - Capital and Revenue expenditure
 - Preparation of budget
 - Implementation and monitoring of budget
 - Trends in capital and revenue expenditure
8. **State Government's Budgets – Some case studies**
9. **Public Investment – Programming and Management**
 - Concept and purpose
 - Role of Planning Commission
10. **Fiscal Responsibility**
 - Parameters of fiscal health
 - Economic indicators of fiscal health and international and national legislation relating to fiscal responsibility

11. Finance Commission's Recommendations

- Principles of Federal Finance
- XIth Finance Commission
- Centre-State relations
- Grants – in- Aid

12. Parliamentary Financial Committees

- Estimates Committee
- Public Accounts Committee
- Committee on Public Undertakings
- Standing Committee for scrutiny of demands for grants

Note: One week's attachment of the Probationers to the Bureau of Parliamentary Studies, New Delhi is a part of this syllabus. The syllabus dealing with Parliamentary Financial Committees may be covered during this attachment.

SEMESTER – 1

PAPER : PRINCIPLES OF ACCOUNTING – 1 & II CODE : 106

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To provide the students with a thorough grounding in commercial accounting concepts and practices.

CONTENTS

UNIT-I

1. **Nature and purpose of Accounting**
 - Definition of Accounting, Need for Accounting, its relationship with other subjects. The Profession of Accounting. The Financial Accounting Framework, source of Accounting Principles, Accounting Policies.
 - The Accounting Equation, Discussion on Accounting Standards on Disclosure of Accounting Policies (AS-1)
2. **Basic Accounting Concepts : The Balance Sheet**
 - The Money Measurement Concept. The Entity Concept. The Going-concern concept. The cost concept. The Dual Aspect. The Balance Sheet. Owner's Equity.
3. **Basic Accounting Concepts : The Income Statement**
 - The nature of Income, the Accounting period concept Interim Reports. Relation between income and Owner's Equity. Income: Not the Same as Increase in Cash.
 - The Conservatism concept
 - An Introduction to Accounting Standard on Valuation of Inventory (AS-2)
 - Revenue Recognition, The Realization Concept, The Matching Concept
 - Recognition of Expenses, Criteria for Expense Recognition, Expenses and Expenditures
 - The Consistency Concept, The Materiality Concept
 - The Income Statement, Revenues, Cost of Sales, Gross Margin, Expenses, Net Income
 - Relation between Balance Sheet and Income Statement, Accrual versus Cash-basis Accounting
 - Net Profit or Loss (AS-5), Prior period items, extraordinary items

UNIT-II

4. **Accounting Mechanics**
 - Process leading to the preparation of Financial Statements
5. **Cash Flow Statements with reference to Accounting Standard 3**
6. **Revenue and Monetary Assets**
 - Basic Recognition Criteria
 - Discussion on Accounting Standard on Revenue Recognition (AS-9)
 - Monetary Assets, Difference in Reporting Monetary and Non-Monetary Assets.

UNIT-III

7. **Cost of Sales and Inventories**
 - The Basic Measurement Problem, Periodic Inventory Method, Perpetual Inventory Method. Inventory Accounts, Cost of Goods Manufactured. Cost of Goods Sold. Inventory Costing Method. Specific Identification Method. Average cost Method. First-In-First-Out Method. Last-In-First-Out Method. Comparison of Method.
 - Discussion of Accounting Standard on Valuation of Inventory (AS-2)
8. **Long Lived Assets and their Amortization**
 - Nature of long-lived Assets : Types of long-lived Assets. Plant and Equipment. Acquisition Distinction between Assets and Expense. Items included in Cost, Plant and Equipment. Depreciation. Judgements required. Service Life. Depreciation Methods. Choice of a Depreciation Method. Accounting for Depreciation. Change in Depreciation. Disclosure. Significance of Depreciation. Leased Assets. Capital Leases. Natural Recourses. Intangible Assets : Goodwill. Patents. Copyrights. Franchise Rights. Leadership improvements. Deferred Charges. Research and Development Costs.

UNIT-IV

9. **Company Accounts**
 - Share Capital, Company Annual Reports, Features of Company Balance Sheet, Profit and Loss Account, Legal Requirements relating to the Preparation of Financial Statement of Limited Companies, Analysis of Financial Statement.

SEMESTER – 1

PAPER : FEATURES OF GOVT. ACCOUNTING AND ACCOUNTING FOR NON-PROFIT ORGANIZATION- I & II CODE : 107

External Marks – 75
Internal Marks – 25
Total Marks – 100

OBJECTIVE

To provide theoretical and practical knowledge about Government Accounting and Accounting for Non-Profit Organizations.

CONTENTS

UNIT – I

1. Features of Government Accounts-Introduction
2. Accounting in Govt. – origin, development & departmentalization of accounts
3. Accounting System in Non-Civil Ministries/Departments: Railways, Defence, P&T
4. Financial Administration in Government-An Overview
5. Structure and from of Government Accounts, Consolidated Fund, Contingency Fund and Public Accounts
6. Classification in Govt. Accounts (LMMH), including practical
7. Deposits, Reserve Fund : Concept and Accounting Procedures including practical
8. Pay Systems
 - Function of DDOs & Controlling Officers, preparation of bills
 - Pre-check of bills and payment in the PAO, methods of payment
 - Banking arrangements, focal point banking system
 - Personal account, concept and accounting procedure
 - PAO 2000 (A Software developed by the O/o CGA)
 - Electronic Payment System

UNIT – II

9. Revenue Accounting – Tax & Non-Tax Revenue
10. Schematic flow of transactions
11. CG (receipt & payment rules)
12. Adjustments through transfer entries including rectification of errors (with practical)
13. Compilation and Consolidation of accounts – Monthly Accounts, Annual Provision Accounts
14. Reconciliation of Accounts

UNIT-III

15. Operation of Suspense Heads – concept and special features including practical. Inter Government Settlement
16. Review of balances and scrutiny of adverse balances
17. Finance Accounts – purpose, use, compilation and consolidation
18. Appropriation Accounts – purpose, use, compilation and consolidation
19. Reading and analysis of Government's Accounts with special reference to the accounts of Railways, Defence & P&T
20. Combined Finance and Revenue Account – purpose and use

UNIT-IV

21. Accounts Reporting and Reforms
22. Accounting for Non-Profit Organizations and Autonomous Societies
23. Salient features of accounting
24. Receipt & Payments account and its preparation
25. Income and Expenditure account and its preparation
26. Balance Sheet and its preparation
27. Accounting of Aid from Govt. and other Institutions

SEMESTER – 1

PAPER (Optional -1) : RULES, REGULATIONS & PROCEDURES- I & II

CODE : 108

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To ensure that the trainee officers are well acquainted with Government Service Rules and Regulations so that they can decide and settle the personal claims.

CONTENTS

UNIT – I

1. **Fundamental & Supplementary Rules**
 - General conditions of Service
 - Transfers, Promotions etc.
 - Fixation, Increment, EB, NBR, Stepping up etc.
 - CCS (Leave) Rules
 - DA/HRA/CCA Rules etc.
 - Medical Rules
 - TA & LTC Rules
2. **CCS (Pensión), Rules & Gratuity etc.**

UNIT-II

3. **General Financial Rules (GFR)**
 - General System of Financial Management & Control
 - Standards of Financial Propriety
 - Powers of Sanctions
 - Advance to Government Servants

UNIT-III

4. **Procurement of Stores & Works**
 - Tenders & Contracts etc.
5. **Delegation of Financial Powers**
 - Rationale behind delegation
 - Delegation & Responsibility
6. **Financial Advice System and Institution of Financial Advisors**

UNIT-IV

7. **Group Insurance Scheme**
8. **General Provident Fund (Central Services) Rules**
 - Interest-Advances-Withdrawal, Nominations
9. **Conduct Rules**
10. **CCS (CCA) Rules**

SEMESTER – 2

PAPER : PRINCIPLES OF FINANCIAL MANAGEMENT I & II CODE : 209

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

This paper gives inputs on the tools and techniques of financial management.

CONTENTS

UNIT – I

1. **Financial Management : An Overview**
 - Meaning and Nature of Financial Management
 - Objectives of Financial Management
 - Financial Management in Central and State Governments
2. **Time Value of Money, Risk Return Framework and Valuation**
 - Introduction
 - Compounding & Discounting
 - Time Value of Money
 - Features of Risk and Return in Financial Management
 - Corporate Valuation and Approaches to Corporate Valuation
3. **Capital Budgeting including Risk Analysis**
 - Introduction, Planning and Control of Central Expenditure
 - Capital Budgeting: Process & Nature
 - Evaluation Techniques
 - Payback period, Accounting rate of return, Net Present Value, Internal Rate of Return and Profitability Index
 - Capital Rationing
 - Capital Budgeting under Risk and Uncertainty
 - Capital Budgeting Process and Decisions in Government Departments

UNIT-II

4. **Management of Working Capital**
 - Concepts of Working Capital
 - Importance of Working Capital Management
 - Structure of Current Assets & Liabilities
 - Estimating Working Capital Requirements
 - Operating Cycle Analysis
 - Management of Cash and Marketable Securities
 - Inventory Management
 - Working Capital Financing
5. **Operating Financial and Combined Leverage**
6. **Cost of Capital**

UNIT-III

7. **Theories of Capital Structure: Designing Capital Structure**
8. **Dividend Theories and Practices**
 - Concept
 - Theories of Dividend – Irrelevance and Relevance Theories
 - Determinants of Dividend Policy
 - Corporate Dividend Practices in India including Statutory Framework
 - Bonus Issues and Stock Splits
9. **Financial Management of Public Sector Undertakings**
 - Investment and Project Appraisal systems in PSUs
 - Funds Mobilization by PSUs
 - Financial Performance of PSUs
10. **Lease Financing**

UNIT-IV

11. **Project Management – An Overview of Project Management**
 - Project Life Cycle
 - Economic Factors – Social Cost Benefit Analysis
 - Financial Factors – Evaluation Techniques
 - Social Cost Benefit Analysis
 - Project Evaluation Practices of Domestic Financial Institutions

SEMESTER – 2

PAPER : AUDITING - I & II

CODE : 210

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To provide an in-depth study of the techniques and methods of planning audit assignments.

CONTENTS

UNIT – I

1. **Auditing**
Nature, Objectives & Scope, Principles, Concepts and Precepts of auditing. Profession of Auditing and Development of Auditing
2. **Role of Auditor**
Duties and Liabilities of Auditor. Status and Image of the Auditor; Legal & Regulatory Framework : Spirit of Audit
3. **Techniques of auditing**
Physical Inspection, Observations, Inquiry, Confirmation, Computation and Retracing Book-keeping Procedures, Analytical Procedures, Selection of Audit Techniques
4. **Internal Control Evaluation**
5. **Audit Sampling**
Need for Sampling, Sampling Risk, Audit in depth, Test checking or judgemental sampling, Approach to statistical sampling, Determination of sample size, Sampling in various auditing situations, Attributes Sampling, monetary unit sampling, Variables sampling, Stratified random sampling
6. **Analytical Procedures**

UNIT-II

7. **Various Classes of Audit**
8. **Statutory Audit, Internal Audit:** Govt. Audit, Cost Audit, Management Audit, Social Audit & Environment Audit-concepts, Differences between Govt. Audit & Private Sector Audit
9. **General Principles of Transaction Audit-** Vouching, Payments and Receipts.
10. **Audit Process, Risk - Based Auditing & Improving Audit Effectiveness**
11. **Auditor's Report**
12. **Internal Audit and Internal Control:** Relationship between Internal Audit and External Audit
13. **Management Audit**
14. **Concept of Professional Ethics**
15. **Current issues in Auditing**

UNIT-III

16. **The Principles and Philosophy of Government Audit**
Role of C&AG, Constitutional provisions governing the institution of the C&AG, CAG's (DPC) Act, 1971
17. **Audit of Expenditure**
18. **Sanction Audit, Audit against provision of funds, Audit against regularity**
19. **Value for Money Audit and 3 Es – Economy, Efficiency & Effectiveness**

UNIT-IV

20. **Audit of Receipts**
21. **Nature of Receipts, Scope of Receipt Audit**
22. **Commercial Audit :**
Audit of Government Companies, Concept of Audit Board, Audit of Autonomous Bodies, Grantee Institutions and NGOs Audit of Defence, Railways and Telecom Sectors, Government Auditing Standards including INTOSAI
23. **Results of Audit and Audit Reports**
C&AG Annual Reports to Parliament. Follow-up action by the Executive and Action Taken Notes

SEMESTER – 2

PAPER : COST AND MANAGEMENT ACCOUNTING - I & II

CODE : 211

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

The help understand costing and management accounting techniques that could be utilized for decision making and control.

CONTENTS

UNIT – I

1. **Management Accounting:** Information that creates value, Changing business environment & Management Accounting, Management Accounting : Different from Financial Accounting
2. **Material Cost :** Material Cost and valuation of material purchases, Pricing of material issues, Pricing of returned materials, Stock Valuation and Inventory reserve.
3. **Labour Cost :** i] Computation and control, Labour Cost and its control, Time keeping Department, Methods of recording attendance time, Methods of job time booking, Computation of gross earnings and net payable, Preparation of wage packets and paying out wages; and, ii] Remuneration and Incentives, Factors in an incentive system, Principles applicable to all incentive schemes, Time rates at ordinary levels, Straight piece rates, Piece-rates with guaranteed day rate, Differential Piece Rate, Individual bonus systems, Group bonus system, Calculation of hourly rate
4. **Overhead:** Overhead-nature and classification, Procedure of linking overhead to cost units. Classification and collection of overhead, Allocation and apportionment of overhead, Overhead absorption and departmentalization of expenses, Overhead absorption rates and their relative merits.
5. **Actual versus per-determined overhead rates, Under – or over absorption of overheads.**

UNIT-II

6. **Job, batch, contract and operating costing:** Job Costing: Nature purpose and procedure of job costing, Recording and controlling costs in job order systems, Batch Costing: Nature and use of batch costing, Determination of economic batch quantity, Contract Costing: Nature of Contract costing, Recording of costs of contract, Recording of value and profit on contracts, Cost plus contract, target price contract and escalator clause, Operating Costing – nature and problem, Operating Costing in different undertakings.
7. **Process Costing:** Process Costing, Impression of process & Job Costing, Equivalent Units, Normal and abnormal losses and gains, Joint products and by products
8. **Cost Accounting Systems:** Work in progress accounts for job costing and process costing, Profit and Loss Accounts for job costing & Process costing systems, Cost Accounting Statements for Services & Service industries, Accounting Entries for integrated and non-integrated accounting systems.

UNIT-III

9. **Marginal costing and break - even analysis, Marginal Costing -** nature and scope, Marginal cost determination, Cost – Volume profit relationship, Marginal Cost equations and break even analysis, Marginal costing versus absorption costing (income effects of alternative inventory costing method), uses and applications of Break Even Analysis.
10. **Activity Based Costing:** Activity based costing for service industries, Activity based costing for, manufacturing.
11. **Decision Making:** Introduction, Pricing techniques and strategies, own or Lease, Sell or Scrap, Retain or replace and repair or renovate, Sell or further process, Incremental reasoning in pricing, product pricing, new product pricing, Product decisions-product modification decision, product elimination decision, product mix decision; product distribution decision, Budgets as key to Planning & Control, Budgets, budgetary control, Budget Preparation & monitoring procedures, Functional, Cash & Master Budget, Flexible Budgets.

UNIT-IV

12. **Standard Costing and analysis of variances :** Standard costing & budgetary control, Establishing of Standard Costs – keeping standards meaningful and relevant, Accounting for standard costs, Analysis of variances (Expenses, Usage, Price, Volume & Sale Price variance).
13. **Integrated and Non-Integrated Accounting Systems:** Introduction, Accounting for Costs, Integrated Accounts, Inter locking Accounts.
14. **Reconciliation of Cost and Financial Accounts :** Need for reconciliation, Reasons for disagreement in profit, Procedure for reconciliation.
15. **Systems Choice:** Decentralization and Transfer Pricing.

SEMESTER – 2

PAPER : GOOD GOVERNANCE AND RESPONSIVE & VALUE BASED ADMINISTRATION CODE : 212

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To enable the officer to grasp the fundamentals of good governance and to help him to move from the rule of crime and corruption to Good Governance:

To reemphasize the need for Value-based administration and to help the officer to practice Value-based administration so as to ensure better quality of life.

CONTENTS

UNIT – I

1. **Role of Public Services**
 - Civil Service
 - Morale and integrity
 - Neutrality of Civil Services
 - Minister-Civil Servant relationship
2. **Code of Conduct for Civil servants**
3. **Concepts of good governance – social responsibilities of administrators**

UNIT-II

4. **Indian Ethos in Management**
5. **Self Management**
 - Relevance of self management for a good administrator/manager
6. **Indian Ethos: Basic Principles**
 - Concept of oneness
 - Personality re-engineering process
 - Right and duties
 - Erosion of human values and need for humanizing administration
 - Culture specific management
7. **Managerial Effectiveness**
 - Concept of Leadership and role models
 - Universal inner structure of leadership – its development

UNIT-III

8. **Promoting efficiency in the public services**
 - Productivity measurement and improvement
 - Work culture and work methods
 - Contracting out public services
9. **Citizens Charter**
 - Consumer Protection Act
 - Consumer's Court
10. **Openness, transparency in administration**
 - Right to freedom of information
11. **Corruption**
 - Nature of corruption
 - Causes and cures
 - Vigilance machinery

UNIT-IV

12. **Public Interest Litigation**
 - Judicial activism and role of judiciary
13. **People Centered Development, UNDP's Human Development Report and Human Development Index**
14. **Trade Union**
 - Industrial Disputes Act
 - Staff Association
 - Joint Cumulative Machinery

SEMESTER – 2

PAPER : QUANTITATIVE TECHNIQUES FOR DECISION MAKING CODE : 213

External Marks – 35

Internal Marks – 15

Total Marks – 50

OBJECTIVE

To ensure basic understanding of quantitative tools and their application in Accounting, Audit and decision making under uncertainty and also to equip trainees with the mythological of optimizing the resources under uncertain conditions.

CONTENTS

UNIT – I

1. **Statistical Concepts:** Introduction to Statistical Concepts, Data, Frequency Tables & Graphs, Frequency distribution; Measure of Central tendency: Mean, Weighted Mean, Median, Mode etc.: Measures of dispersion: Variance, Standard deviations.
2. **Probability Theory and Probability Distribution:** Basic Concepts of probability. Rules of probability, Vein diagram etc. Marginal, Point and Conditional probabilities. Examples of distribution like Binomial distribution. Poisson distribution, Normal distribution.
3. **Decision Theory:** Decision Environment, expected profit under uncertainty, Utility as a decision criterion. Decision Tree Analysis, Conceptual case.

UNIT-II

4. **Correlation And Regression Analysis :** Dependent & Independent variables. Scatter diagram. Estimation using regression line, Least Square method, Co efficient of Correlation, Limitations, Errors etc.
5. **Theory of Sampling and Sampling Distribution:** Introduction to sampling – type of Sampling, Random Sampling, Stratified sampling etc. Introduction to sampling distribution, standard error, Central Limit Theorem, Relation between sample size and Standard error, Estimates, sample size etc.

UNIT-III

6. **Game Theory:** Game Model, Two – Person Zero – sum - Game
7. **Simulation** as an approach to decision–making and its basic concepts, Techniques of simulation – Random number generation, Monte Carlo method, Product Pricing, pros & cons of Simulation.
8. **Time Series & Trend Analysis:** Variation in time series, Component of time series (trend, seasonal, cyclic, irregular) and their analysis, Forecasting methods.

UNIT-IV

9. **Linear Programming:** Introduction of review of linear functions, Graphical Approach, simplex method, solution of problems
10. **Integer and Goal Programming :** Formulating integer-programming problems, Branch and Bound Algorithm, goal programming, Multi-attribute decision making in the absence of uncertainty, The Analytical Hierarchy Process Method.
11. **Application of Software's of analytical Work:** UNDO, GINO, SPSSPC+QBS, DBSTAT etc.

SEMESTER – 2

PAPER : DATABASE MANAGEMENT SYSTEMS, NETWORK CODE : 214

External Marks – 35

Internal Marks –15

Total Marks – 50

OBJECTIVE

To exercise control and communicate effectively for the exposure of professional accountants to the growing field of computerized information technology and their application using the Relational Database Management System and also to given exposure of Networking in an office environment.

CONTENTS

UNIT – I

1. **Basic Concepts Data Modeling:** Entries and their attributes, Relationship, Abstraction and data Integration
2. **Data Models:** Data Association, Relationship among entities, Representation of Association and Relationship, Data Mode Classification, E-R Model, Generalization and Aggregation.
3. **The Relational Data Model:** Introduction, Relational Data Base, Attributes and Domains, Tuples, Relations and their scheme, keys, Relational Operations, Integrity Rules, Relational Algebra, Relational Calculations.

UNIT-II

4. **Relational Data Base Manipulation:** Basic Data retrieval, Data Definition and Data Manipulation Language, SQL, Arithmetic and Aggregate Operators, Introductions to QUEL and Embedded Data Manipulation Language QBE.
5. **Relational Data Base Design :** Relational Scheme and Relational Design, Anomalies in Data Base, Consequence of Bad' Design, Universal Relation, Functional Dependency, logical implication of functional Dependencies, Closure of a set of FD's Covers, Non-redundant and Minimum Cover, Lossless Join and Dependency Preserving Decomposition Normal Forms (NF): Decomposition in First, Second and Third Normal Form, Boyee Codd Normal Forms (BNCf).

UNIT-III

6. **Synthesis Approach** Problem with decomposition Approach, Normalization Approach through synthesis, Multivaluated Dependencies (MVD) and Normalization 4th & 5th Normal Forms.
7. **Network and Hierarchical Data Model** Concurrency Management and Data Base Security, Integrity and Control, Lost Update Problem, Inconsistent Read Problem, The Phantom phenomenon, serializability, Concurrency Control, Locking Schemes, Security and Integrity Threats, Defence Mechanism.

UNIT-IV

8. **Data Communication Networks -** Introduction, Networking, Importance, Issues and Trends, Data Communication Systems, Software, Concept, Data Communication Hardware, Data Communication Hardware, Data Communication Channels, Procedures, Security, Applications
9. **Local Area Networks:** Importance, Types, Topologies Operating Systems, Application Software
10. **Wide Area Networks:** Importance, Issues and Policies, future directions private and public Networks, connectivity between different WANS Tariff Issues, Design considerations, value addition, Databases on networks : Trends and Development, Client Server Technology.

SEMESTER – 2

PAPER : ACCOUNTING AND AUDITING IN EDP ENVIRONMENT CODE : 215

External Marks – 35

Internal Marks – 15

Total Marks –50

OBJECTIVE

To equip the participants with basics of computerized Accounting, Auditing in Electronic Data Processing environment and audit of system. This paper also deals with application, controls, system evaluation including security aspects.

CONTENTS

UNIT – I

1. Overview of EDP Auditing

Need of Control and Audit of Computers: Definition of EDP Auditing: Effects of EDP on the system of internal controls: Effects of EDP on Audition: Conducting on EDP audition: Dealing with Complexity: Steps in EDP Audit. Professional EDP audit organizations. Certified IT Systems Auditor: Certified Information Systems Auditor (CISA).

2. Security Administration

Organizational Considerations: Conducting a security program: Major Security threats and Remedial Measures: Controls of Last Resort

3. Role of Computers in Accounting

Coding and Classification, format of accounts statements on computers, costing on computers, computer accounting softwares.

UNIT-II

4. Boundary Controls

Access Controls; Cryptographic Controls; PINs; Digital Signatures Technology: Standards and Practices; Audit Trail Controls;

5. Input and Output Controls:

Data Capture Technologies; Data Input Validation Checks and Design; System of Input Controls in Oracles/SQL Server/Access.

6. Communication Controls:

Communication Systems; Controls over component failure; Overview of Security System on Internet.

UNIT-III

7. Processing Controls:

Processor Controls; Operating System Security; Virus Attacks; Windows 2000 Security System; Application Transaction Processing; Concepts of Transaction Server on Internet.

8. Database Controls:

Access Control; Concurrency Controls; Cryptographic Controls; File Handling Controls; Audit Trail Controls; Database Controls in Oracle/SQL Server/Access.

9. Evidence Collection:

Generalized Audit Software; Functional Capabilities; Audit Tasks that can be accomplished; Concurrent Auditing Techniques

UNIT-IV

10. Computer Assisted Audit Techniques (to review system controls and to review real data controls, Concurrent Audit Techniques)

11. Evaluating Asset Safeguarding and Data Integrity : Measures of asset safeguarding and Data Integrity; Qualitative approaches and Quantitative Approaches; Cost Effectiveness considerations.

12. Evaluating System Efficiency: Performance Indices; Workload Models; Systems Models.

SEMESTER – 2

PAPER : DBMS AND EDP ACCOUNTING & AUDITING- PRACTICAL CODE : 216

External Marks – 75

Internal Marks – 25

Total Marks – 100

UNIT – I & II

ORACLE

SQL Introduction to SQL, Oracle Data types, Creating database tables, Inserting values into database tables, modifying database tables, updating database tables, Querying database tables, Summarizing data, ordering and Grouping the result of a Query.

Developers 2000 Creating Forms, Using the forms to Enter the data into database tables and displaying the data from the database tables. Creating Reports.

UNIT-III & IV

IDEA/ACL for Windows (One of the Two):

File Interrogation; Downloading of Data; Overview of IDEA/ACL for windows; importing/linking data into IDEA/ACL; Indexing; Field Stratification; Key Field Summarization; Field Statistics; Aging; Virtual Field; Comparing of Two files; Gap Detection; Duplicate Key detection; Statistical Sampling; Random Number generation; Joining of two tables and Querying.

Tally/Other Accounting Package

Basic accounting concepts; Double Entry System; Creation of Company, Creation of Ledgers, Creation of Invoices; Cards-Customer Cards, Vendor Cards; Creation of Inventory Items; Sale and Purchase; Inventory Management; Taking out summary information in the form of Balance Sheet, Trial Balance; Profit and Loss Accounts etc. Security features and Audit features.

Practical/Experiments may be devised pertaining to Oracle/SQL Server/Access databases, as needed to explain theoretical auditing concepts and to explain various control mechanisms such as boundary controls, input controls, database controls, processing controls; use of triggers; use of data dictionary; special auditing features.

SEMESTER – 2

PAPER : ADVANCE FINANCIAL ACCOUNTING CODE : 217

External Marks – 35

Internal Marks – 15

Total Marks – 50

OBJECTIVE

To develop understanding regarding accounting standards, accounting principles and accounting procedure and the ability to apply the same to different practical situations.

CONTENTS

UNIT – I

1. **A Review of National Accounting Standards, International Accounting Standards and US GAAP**
2. **Accounting Aspects of Amalgamations, Mergers and Takeovers** (with special reference to AS-14). Accounting of Holding Companies.
3. **Emerging Trends in Accounting:** Inflation Accounting, Value Added Accounting, Human Resource Accounting, Social Accounting and Environmental Accounting.

UNIT-II

4. **Financial Reporting with Specific Reference to :** Segment Reporting, Government Grants, Investments, Research and Development, Construction Contracts, Contingencies and Events Offering after the Balance Sheet Date, Effect of Foreign Exchange Rates, Borrowing Costs, Related Party Disclosures and Accounting for Retirement Benefits, ESOPs, Financial Instruments.

UNIT-III

5. **Specialized Aspects of Accounting:** Lease Accounting, Deferred Taxation, Impairment of Assets, Accounting for Associates.
6. **Analysis of Corporate Performance (Case Study).**

UNIT-IV

7. **Introduction of Accrual Accounting in Government,** e.g., Experience in New Zealand: Reforms in Government Accounting.
8. **New Accounting Standards**

SEMESTER – 2

**PAPER : FINANCIAL MARKETS AND INSTITUTIONS
CODE : 218**

External Marks – 35

Internal Marks – 15

Total Marks – 50

OBJECTIVE

To provide an overall understanding of Indian Financial System. It aims at discussing the different components of Indian Financial Systems viz. Financial Institution, Financial Markets and Financial Instruments.

CONTENTS

UNIT-I

1. Financial System Economic Development

- Interrelationship between Financial System & Economic Development.
- Interest Rate Structure in India.
-

UNIT-II

2. Financial Markets

(a) Capital Market

- SEBI : Role and Regulatory Aspects
- Equity Market
- Primary Market
- Secondary Market
- Debt Market

(b) Government Securities Market

(c) Money Market

- **Reserve Bank of India: Role as Banker to the Government, Credit Control and other Regulatory Aspects**
- Call Money
- Treasury Bills (TBs)
- Commercial Papers (CPs)
- Certificate of Deposits (CDs)
- Commercial Bills
- Repos

UNIT-III

(d) Indian Foreign Exchange Market

- Foreign Exchange Management Act (FEMA)

UNIT-IV

3. Financial Institutions

- Banking Institutions
- Non-Banking Financial Companies
- Mutual Funds
- Insurance Organizations
- Development Finance Institutions

SEMESTER – 2

**PAPER (Optional) : PRINCIPLES OF TAXATION
CODE : 219**

External Marks – 35

Internal Marks – 15

Total Marks – 50

OBJECTIVE

To test whether the officers have acquired a working knowledge of the basic principles of the laws governing Income Tax, Central Excise & Custom Duty.

CONTENTS

UNIT-I

INCOME TAX

01 Introduction

- Basic Concepts
- Residential Status
- Incidental of Tax
- Income Exempt from Tax
 - Special reference to provisions for 100% EOU and units established in FTZ

02 Computation of Income:

- Salaries
- Income from House Property
- Income from Business & Profession
- Capital Gains
- Income from other sources
-

UNIT-II

- 01 Set off and Carry forward of Losses
- 02 Deductions and Rebates
- 03 Deduction of Tax at Source (TDS) and Advance Payment of Tax
- 04 Assessment of Individual
- 05 Duties and responsibilities of DDO

UNIT-III

Central Excise

- 01 Introduction of Central Excises Act, 1944 and Central Excise Tariff Act, 1985.
- 02 Nature of Excise Duty, Collection of Excise Duties under the Central Excises, 1944.
- 03 Provisions regarding
 - Manufacturing
 - Removal of excisable Goods
- 04 Valuation under the Central Excise Act, 1944, Central Excise (Valuation) Rules, 1974.
- 05 Classification of goods under Central Excise Tariff Act, 1985 with reference to Rules of interpretation, filling and approval of classification list.
- 06 Duty drawback
- 07 CEN VAT

UNIT-IV

Customs Duty

- 01 Principles of governing Levy and Exemption from Custom Duty.
- 02 Basic Principles of Classification of Goods and Valuation of Goods.
- 03 Provisions governing Importation and Exportation of Goods.
- 04 Special provisions regarding Baggage, Sample Goods imported by Post.
- 05 Duty drawback.

SEMESTER – 2

PAPER (Optional 2) : PRODUCTION AND OPERATION MANAGEMENT CODE : 219

External Marks – 35

Internal Marks – 15

Total Marks – 50

OBJECTIVE

To enable the participants understand and utilize strategies and techniques in the operational process to effectively manage and efficiently utilize the infrastructural facilities of an organization.

CONTENTS

UNIT-I

1. **Operations Management** : Introduction of Operations Management, Historical Development of Operations Management, Strategy in Manufacturing.
2. **Product Design and Process Selection** : Product Development, Linking Design & Manufacturing, Process Solution, Process Flow Design, Technology Management, Service Management.
3. **Total Quality Management** : Quality Specifications & Costs, Continuous Improvement(CI), Acceptance Sampling, Process Control Procedures, ISO 2000.

UNIT-II

4. **Planning (Designing) of Systems** : JIT Logic, JIT Implementation Requirements, JIT in Services, Forecasting, Qualitative and Quantitative Models in Forecasting, Technological Forecasts.
5. **Capacity Planning** : Strategic Capacity Planning (Long Range), Capacity Planning Concepts, Planning Service Capacity, Adding Capacity Through Multisite, Service Growth
6. **Facility Location & Layout** : Plant Location Methods, Locating Service Facility, Process Layout, Product Layout Group of Technology Layout.

UNIT-III

7. **Job Design Production, Operations Standard & Work Measurement** : Job Design Decisions, Behavioural & Physical Consideration in Job Methods, Work Method, Measurement and Standards.
8. **Project Planning and Control** : Definition of Project Management, Critical Path Scheduling, Time Cost Models.
9. **Aggregate Planning**: Hierarchical Production Planning, Aggregate Production Planning, Aggregate Planning Techniques.

UNIT-IV

10. **Inventory Systems** : Basics of Inventory Management, Fix Order Quantity Models, Material Requirement Planning, Manufacturing Resource Planning, Bill of Material, Lot Sizing in MRP Systems.
11. **Operation Scheduling** : Scheduling & Control in the Job Shop, Elements of the Job-Shop Scheduling Problem, Priority Rules and Techniques, Shop Floor Control, Material Management and purchasing.
12. **Improving the Systems**: Business Process-Reengineering, World Class Manufacturing.

SEMESTER – 1

PAPER (Optional 2) : CORPORATE LAWS- I & II CODE : 108

External Marks – 75

Internal Marks – 25

Total Marks – 100

OBJECTIVE

To provide basic understanding of the provisions of the Companies Act, 1956. To ensure that the provisions are properly analyzed and interpreted in the process of guiding the management in day-to-day operations. Also to ensure basic understanding of the allied Corporate Laws.

CONTENTS

UNIT-I

1. **Incorporation of Companies**
 - Memorandum of Association
 - Articles of Association
 - Membership of Company
 - Contracts, deeds & Investments
2. **Prospectus & Allotment**
 - Prospectus
 - Allotment
 - Commission & Discounts
 - Issue and Redemption of Shares
 -

UNIT-II

3. **Share Capital & Debentures & Regulations of Charges**
 - Kinds of Share Capital
 - Reduction of Share Capital
 - Transfer of Shares & Debentures
 - Borrowing Powers
 - Registration of Charges
4. **Management & Administration**
 - Dividend
 - Accounts, Audit & Investigation
 - Appointment, Removal & Remuneration of Director
 - Role and Powers of Shareholders
 - Role and Powers of Board of Directors

UNIT-III

5. **Reconstruction, Mergers & Acquisitions**
 - General Provisions
6. **Foreign Exchange Management Act, 1999 (FEMA)**
 - Important Definitions
 - Regulations & Management of Foreign Exchange
7. **Monopolies Restrictive Trade Practices Act, 1969 (MRTP) and other Similar Laws**
 - Prevention of Certain Restrictive Trade Practices
 - Prevention of Unfair Trade Practices

UNIT-IV

8. **Sick Industrial Companies (Special Provisions) Act; 1985 (SICA)**
 - Definitions
 - References Inquiries & Schemes
 - Proceedings in case of Potentially Sick Industrial Companies

SEMESTER – 2

PAPER (Optional 3) : LEGAL BUSINESS ENVIRONMENT CODE : 219

External Marks – 35

Internal Marks – 15

Total Marks – 50

OBJECTIVE

To enable participants to grasp the legal structure within which organization/individuals in India work.

CONTENTS

UNIT-I

1. **Law of Contracts**
 - Definition and nature of contract
 - Offer and acceptance
 - Consideration
 - Capacity of parties
 - Free consent
 - Legality of object and consideration
 - Void agreements
 - Contingent contracts
 - Performance of contracts
 - Discharge of contracts
 - Quasi Contracts
 - Remedies for breach of contracts
 - Indemnity and guarantee
 - Bailment and pledge
 - Agency
 -

UNIT-II

2. **Law of Sales of Goods** Contract of sale of goods
 - Conditions and warranties
 - Transfer of ownership
 - Performance of Contract
 - Remedial Measures
 - Auction Sales

UNIT – III

3. **Law of Negotiable Instruments**
 - Negotiable instrument
 - Promissory notes, Bills of exchange and Cheques
 - Parties to negotiable instruments
 - Presentment
 - Negotiation
 - Discharge of parties from liabilities
 - Dishonour of a negotiable instrument
 - Banker and Customer
 - Hundis

UNIT-IV

4. **Overview of Legislation pertaining to Pollution**
5. **Overview of International Trade, Legal Environment with reference to the World Trade Organisation**
 1. Bare Act
 2. Elements
 3. Mercantile

Course curriculum for IDAS probationers at NADFM, Pune
(around 8 months)

1. CDA (O) Module (5 days course)

The course is designed to cover the work done in various sections of CDA (O). The contents are:

Ledger Wing :

- Opening of IRLA
- Basic documents
- Central Index System
- Rank Structure/Pay Structure
- Compensatory Allowance
- Rent & Allied Charges
- HRR/HRA
- DSOP Fund Claims
- Other Claims and various allowances
- Leave

Transportation Wing:

- Role and Function
- Ty. Duty Claims
- Pmt Duty Claims
- LTC
- Salient features
- Warrants and Form-D

Archives Section:

- Role and function
- Pension Cell
- DSOP Fund Finalization
- Finalization of accounts
- High Commission cases

EDP:

- Computerization in CDA (O)
- Closing of IRLAs
- ECS
- Adjustment of DO II
- Loans and Advances
- Future Plans
- Email/CDA(O) website

DO II Cell:

- Role and functions
- Link between LW & EDP
- Documentation procedure for Publication of Part II Order for Army Officer

Other Sections of CDA (O):

- Technical Sections
- AFL Cell
- Rent Cells
- LTC/Demand Section

In this module the Probationers are also provided exposure to office manners & etiquettes in two sessions.

2. Fundamentals of Audit and Accounting Module (5 days)

This module covers the rule books – Defence Account Code, Defence Audit Code, FR Part I & II and OM Part I & II. The topics covered are:

Defence Account Code:

- General Principles and Methods of Accounting
- Remittance Transactions in and outside India. Compilations and Review of Balances
- Budget, Budgetary Control, Cash Assignments, Deposits, Advances & Suspense

Defence Audit Code:

- Introduction and General Principles and Rules of Auditing

- Audit against Appropriations & Receipts and Recoveries
- Efficiency cum Performance Audit including Audit from vigilance angle

Financial Regulation Part I:

- General Principles and Sanction of Expenditure
- Losses, Wastages and Damage to public property including public money
- Contracts, Security Deposits, Cheques, Bank Drafts and other Misc. items

Financial Regulation Part II:

- Various grants and Disbursement transactions

Office Manual:

1. Office Manual Part I & II
2. Overview of other Office Manuals of the Department

3. Regional CDA Module

(I) AN, Pay & Traveling Allowance (5 days)

In this module the probationers are provided exposure to Administration Section and the various works being done in this section.

FR-SR/CSR:

- AN, AN-Pay Sections
- Functions, responsibilities
- Cashier Accounts
- Contingency Budget
- Recruitment
- Roster Maintenance
- Appointment
- Confirmation
- Promotion
- Training
- SAS Examination

CCS (Conduct) Rules & CCS (CCA) Rules:

- Appointing and disciplinary Authorities
- Salient features of Conduct Rules
- Concept of Discipline
- Penalties
- Conducting inquiry & imposition of penalty
- Suspension

Performance Appraisal:

- ACRs
- MTCRs
- Representations

Leave Rules:

- Provisions of CCS(Leave) Rules
- Overstayal

FR/SR:

- Pay structure and various allowances
- Pay fixation, stepping up of pay and removal of anomaly
- Central Government Employees Group Insurance Scheme
- Central Government Health Scheme and medical reimbursement
- Leave Travel Concession – Various provisions
- Travelling and Daily Allowance
- CCS (Pension) Rules – An overview
- New Pension Scheme
- Grievance Redrassal & Complaint Mechanism

(II) Pay Section Module (3 days)

In this module probationers are exposed to the working of Pay Section.

Pay Section:

- Responsibilities of Executives
- Role and functions of auditing Demand Registers
- Linking of last charge
- LPCs
- DP Sheets/Cheque Slips
- Pay fixation governing rules – various types of stepping up
- Practical cases
- ACP – what & why;
- Various clarifications & their implications
- Processing of pension papers
- Disbursement of Terminal benefits
- Practical cases
- Role & significance of Fund Cells
- Monitoring Procedures
- Minimizing GP Fund complaints
- CAT cases and redressal of related disputes/complaints

(III) 'T' & 'D' Section Module (2 days)

In this module the probationers are exposed to the working of T Section and D Section:

'T' Section:

- Role and function of T Section
- Payment of various advances
- ADRs significance, maintenance, review etc.
- Payment Procedures
- Various types of claims TA/DA, Ty Duty, Pmt Duty, LTC etc. points to be seen
- Entitlements
- Application of different rates
- Foreign Tours
- Practical cases including preparation of self claims on TD/Transfer

Disbursement Section:

- Role and functions of Disbursement – 'D' Section

Office Automation:

- Applications to various sections, Grey areas

(IV) 'M' Section Module (3 days)

In this module the working of M Section is explained.

An overview of 'M' Section

- Role and function
- Significance
- Nature of payments

Audit and Payment – various contingent/misc. claims and unit allowances

- Nature of various
- Contingent claims
- Misc. claims
- Unit Allowances
- Salient features in audit

Audit and Payment of various Training Grants

- Types of Training Grants – ATG, ETG, FPTG etc.
- Significance of these grants
- Role of DASD in payment of the claims pertaining to them
- Procedure of payments

Expenditure – Budget Monitoring

- Way and means of effective budget monitoring
- Role and purpose of it
- Flow of allocation and re-appropriation of funds
- Reporting system from DAD

Advance- Payment

- Permanent advances

- Imprest Account Advances
- Recoupment, Accounting and Adjustment procedures
- Foreign Training Allowances
- Case Study

(V) FA Section Module (3 days)

In this module the working of FA Section is explained:

- Role and functions
- Areas of inputs and possible interface

Internal Audit Reporting

- MFAI – Significance, types of objections included, subsequent action
- AAC – Significance, importance of different statements, reporting systems
- IAR – purpose and importance, reporting system, points to be included etc.
- Role of FA Section
- Case Study

CAG Audit and Reporting

- Constitutional provisions
- Initiation and development – PS to LTAR to LTAN to Draft Para to Audit Para
- Case Studies – Inventory Management in CODs

Losses and regularization

- Types of Losses
- Determining of CFA
- Regularization action
- Role of DAD – audit report
- Case Study

Local Audit – planning and monitoring

- Monitoring and approving of Local Audit Programmes and Audit/review/cash inspection completion reports
- Fixation of audit mandays
- Action on Special Audit Report

Special Audit and Super Review

- Significance
- Frequency
- Reporting Systems areas of concern

MIS

- MPR
- MAR
- Other reporting system

(VI) 'E' Section including AAO GE/AAO BSO Module (8 days)

In this 8 days module the working of E Section and the related sub-offices of AAO GE & AAO BSO is explained.

MES Organization, structure, role and functions

- Organizational Chart
- Execution level
- User role

Overview of 'E' Section including IFA Systems

- Role and functions
- Governing regulations
- IFA System-only outline

Different types of works in MES

- Works – major, minor, special
- Repairs – Ordinary, special
- Others – deposit, agency, Ops
- Different CFAs
- Para 10, 11, 12 works

Fundamental of Works Procedure

- Provisions of DWP/RMES
- Stages in works procedures Important points to be seen in AAs
- Application of different scales
- FTP Projects, FC Cases

Tendering and Contracts procedure in MES

- Different types of contracts
- General and special conditions
- Earnest Money, Scrutiny Deposits Special Conditions – price escalation, mobilization etc.

Scrutiny of contract documents. Salient points and significance

- Scrutiny of general/special clauses in the CA
- Scrutiny of WE, DO, Amdts
- Significance of DOs/Amdts
- Scrutiny of pro rata, star rates

Budgeting in MES

- Allotment of funds – job-wise
- Placement of cash assignments Adjustment of TBOs/CP Vrs.

Payment provisions in MES

- RARs/Final Bills
- HRs/Cont. Bills
- Pre/Post Audit cases
- Role of AAO GE/MO
- Preparation of Abstract of Rt. & Ch. and PM

Price escalation-practical sessions

- Calculation of price escalation in MES Contracts
- Important points & clauses to be seen

Disputes in MES Works

- Arbitration awards
- Court decrees
- Court deposits
- Charged expenditure
- Procedure & accounting

Accounting procedure in MES

- Contractors' ledger
- Construction Accounting MER
- Completion report Pt. A & B
- SIO Works

Stores Procurement in MES

- Stores procurement agencies – Div. Stocks/Central Div. Stocks/Central Div./EPs etc.
- Procurement procedures
- Accounting & Auditing procedures, Movement of Stores between divisions – TBOs

Revenue in MES

- Organizational chart of revenue Line in MES
- Role and functions of BSO
- Acquisition, maintenance and disposal of surplus/salvage revenue assets

Revenue Accounting in MES

- Accounting and audit of revenue
- Role and functions of AAO BSO
- SIO Revenue

ARMES Expenditure

- Significance of the report
- Various statements
- Role of GE/AAO GE/MO

(VII) Stores Section Module (5 days)

In this module the working of Stores Section is explained.

Overview of Stores Sections – flow and interface

- Role and functions – general
- Governing regulations
- Interface with Army levels
- Also functions as IFA – brief
- Organizational Chart
- Role and functions of ASC
- Types of Stores
- Assignment of duties
- Procurement procedures Significance of inventory management in ASC
- Reserves – what and why

ASC TPCs/PNCs – issues for CDA's representative as Finance Member

ASC TPCs/PNCs – case studies

- Fixation of RRs
- What are L1, L2.....
- What and how in PNC
- What when L1 not considered

S&S Imprest – salient features

- Placement of case assignments Recoupment of Imprest
- Submission of accounts

Role and responsibility of AOC, Salient features of Material Management in AOC

- Structure of AOC Organization
- Role and responsibilities
- Varies depots – operations Inventory Management in AOC
- **CP and LP Stores, LP procedures and CFAs, Salient features of LP Contracts**
- CP/LP – types of stores
- Procurement procedure
- Various CFAs
- LP Contracts – salient features
- Provisioning and procurement procedures
- Practical cases

Role and responsibility of MFs, Organizational structure and procurement and disposal procedure, MF – Salient features of accounts and their auditing

- Organizational structure of MFs
- Role and responsibility
- Procurement/disposal procedure e.g. stores, cattle output (products) etc.
- Placement of Cash Assignment

DEO/Cantt Board

- Role and functions of DEO/Cantt Board

Role and structure of EME Workshops, Procurement of stores and spares

- Structure, role and functions of EME workshops, Procurement procedure for spares and stores
- Various level of workshops

Medical depots – structure, role, procurement procedure

- Structure, role and functions
- Procurement procedures

Scrutiny of Contracts, payment of bills and post payment process and significance

- Use of check list
- Flow of documents
- Role of EDP/D Sections EM/Security Deposits
- Scheduling of Vouchers

CHT-purpose/significance, role of DAD member in the board and payment procedures

- Purpose and significance
- Various CFAs
- Powers during war/Ops etc.
- Role of the DAD in CHT Board

(VIII) Accounts Section Module (5 days)

In this module the working of Accounts Section is explained. The topics are :

Issue of Defence Cheque and its linking and accounting

- Case study on issue of fresh cheques/lost cheques/missing cheques

Basic of Defence Accounting

- Concept of Receipt & Charges
- Service/RDR Heads
- Classification System – codification
- Centrally Controlled, Locally Controlled, Factorized Heads, Accounting and Control System – Suspense Heads as control points
- Defence Cheque – on any treasury

Defence Proforma – Account – agencies involved

- Flow of documents, accounting entries, significance of each stage-Audit & D Sections, SBI RBI/Other (Treasury), SBI (GAD), SBI (FPB) RBI (CAS), Accounts Section
- Origin & clearance and significance of balances in Suspense Accounting
- PM/Cheque Slip etc. to be shown.

Defence Exchange Accounting

- What heads and situation, origin and significance of balance in suspense accounts.
- Flow of documents, accounting entries, significance of each stage-Audit Section (originator) Accounts Section Originator EDP Centre, Meerut, Audit Section (responder), Accounts Section (responder).
- Origin and significance of balances in Suspense Accounts
- Live cases to be shown/discussed

Inter Departmental Settlement – Rlys, P&T, MEA, other Civil Ministries, State Govts.

- What situation
- Flow of documents accounting entries at each stage
- Origin and significance of balances in Suspense Account
- Live cases to be shown/discussed

Debit Head Registers and Review of Balances

- Maintenance – significance
- Significance of Review of Balances

Suspense Accounting

- Origin and significance balances in Suspense Account clearance
- Classified / unclassified
- Live cases to be shown and discussed

Budgetary Control of LCH and factorized heads

- Watching expenditure against allotment
- Generating necessary financial reports

Various compilations and their Intent

1. Sectional Compilations
2. All India Printed Compilations, Other MIS Reports

4. Defence Organization & Budget Modules

In this module the Defence organization, Service Hqrs. and Defence Plans are covered by inviting senior officers dealing with these subjects in various branches at HQ level.

Defence Organization

- Overview of Structure
- Ministry of Defence
- Ministry of Finance
- CCS

AHQ

- Structure, Organization, Role of different Branches/Directorates in the AHQ and Rank Structure

Air HQ

- Structure, Organization, Role of different Directorates in Air HQ and Rank Structure

NHQ

- Structure, Organization, Role of different Branches/Directorates in the NHQ and Rank Structure

Air Force Plans

- Coordination & Planning
- Perspective Planning
- Performance Budget

Air Force Budget

- Formation of Budget
- Prioritization
- Re-appropriation

Naval Plans

- Coordination & Planning
- Perspective Planning
- Performance Budget

Naval Budget

- Formation of Budget
- Prioritization
- Re-appropriation

Army Plans

- Coordination & Planning
- Perspective Planning
- Performance Budget

Army Budget

- Formation of Budget
- Prioritization
- Re-appropriation

Budget Formation – Allied Services

- DGQA, DGAFMS, DGDE etc.
- BRO, CSD, CGO, IMA

Budget Monitoring

- MIS/FIS System

The coverage of these modules is followed by attachment with Regional CDA and LAO office. During these attachments probationers are exposed to practical/actual work done in sections of Regional CDA office and LAO office. In Regional CDA attachment probationers are put to actual work of audit and passing of few bills as mock exercise by providing them with few current bills. This mock exercise is done to make them learn the nuances of audit and payment. The probationers are provided with a learning diary to write the learning points and submit a feedback on all attachments during the departmental training. These attachments are followed by a Study Tour of 5 months 10 days in which the probationers are attached to the following offices :

| | | |
|---|---|---------|
| ▪ NADP, Ambajhari and CDA (MC) | - | 10 days |
| ▪ PCDA (Navy) & CDA (CSD) | - | 12 days |
| ▪ RTC Bangalore | - | 06 days |
| ▪ CDA Guwahati | - | 03 days |
| ▪ Army Attachment | - | 07 days |
| ▪ RTC Kolkata | - | 20 days |
| ▪ PCDA (P) Allahabad | - | 10 days |
| ▪ Training Division Brar Square, Delhi | - | 41 days |
| (This attachment includes Leh attachment for 6 days and attachment at NAA&A, Shimla for 6 days) | | |
| ▪ PCDA (AF) Dehradun | - | 05 days |

On completion of Study Tour the probationers are provided a week's preparation time which is followed by Departmental Examination Part I & II. After the exams probationers are posted to various offices by HQ Office.