

## Paper-IV (MCA-104) : Business Functions

### UNIT- I

**Background :** What is a business firm, classification by formation (Ownership) viz.. Sole proprietorship, Partnership, Private Limited Companies and Public Limited companies Public sector Companies, Trusts, Government Departments, Financial Institutions and Nationalized and other Banks; Classification by activity e.g. Trading, Manufacturing, services like banking, Insurance etc.

### UNIT- II

**Basics of Business Functions: Sales:** customer Order processing; Invoicing, Sales analysis; In Trading and manufacturing contexts; account receivables. **Materials Purchase:** Indents for purchase; Purchase order generation; follow-up, amendments and cancellation; Delivery schedules; suppliers bill passing; Accounts.

### UNIT- III

**Material receipt:** Suppliers delivery challan; verification with purchase orders; inspection; Goods receipt note; maintenance of materials ledger. **Material Issues:** Requisition for issues and updating materials ledger; valuation of issues and debiting respective departments. Inventory records: Maintenance of item wise ledgers; passing with Receipts and issues; valuation of closing stock by different methods FIFO, LIFO and weighted average.

### UNIT- IV

**Inventory control:** Principle of selective control; ABC and FSN analyses, Maximum and minimum levels; reordering levels and safety stock; reorder quantity. **Personnel:** Employee record, Pay roll; pay slip preparation; updation, accounting entries; summary statements-department wise summary, summary of earnings & deductions; coinage analysis.

### UNIT- V

**Accounting : Principles and Concepts:** Transaction entries, Credits and debits, double entry system of accounting, Journal entries, transaction documents, ledgers and other books of accounts; daily posting and maintenance of day books, Control accounts, Ledger posting and closing, trial balance, Illustrations and examples. Final Accounts- Profit and loss and balance sheet compilation from trial balance, Illustration and examples. Cash flow and Funds flow-Sources and application of funds.

#### Recommended Books:

1. D.H.Sanders : Computers in Business
2. Hongren & Sundem : Introduction to Financial Accounting
3. H.Chakraborty : Advanced Accounting
4. I.M.Pandey : Financial Management

