

**Syllabus for the Written Test for the post of Accounts Assistant**  
**80 Multiple Choice Questions each carrying one mark**


1. Accounting as an information system, the users of financial accounting information and their needs. Qualitative characteristics of accounting, information. Functions, advantages and limitations of accounting. Branches of accounting. Bases of accounting; cash basis and accrual basis.
2. The nature of financial accounting principles - Basic concepts and conventions: entity, money measurement, going concern, cost, realization, accruals, periodicity, consistency, prudence (conservatism), materiality and full disclosures.
3. Accounting Process: From recording of a business transaction to preparation of trial balance including adjustments: Capital and Revenue expenditure & receipts, Preparation of trial balance, Profit and Loss Account and Balance Sheet.
4. Measurement of business income-Net income: the accounting period, the continuity doctrine and matching concept. Objectives of measurement. Revenue: concept, revenue recognition principles, recognition of expenses. The nature of depreciation. The accounting concept of depreciation. Factors in the measurement of depreciation. Inventories: Meaning. Significance of inventory valuation. Inventory Record Systems: periodic and perpetual. Methods: FIFO, LIFO and Weighted Average.
5. Business Enterprises: Sole Proprietorship, One Person Company, Joint Hindu Family Firm, Partnership firm, Joint Stock Company, Cooperative society.
6. The Process of Management Planning; Decision-making; Strategy Formulation. Organizing: Basic Considerations; Departmentation - Functional, Project, Matrix and Network; Delegation and Decentralisation of Authority.
7. Characteristics of a company; types of companies: small company, associate company, dormant company, formation of company, promoters and their legal position,
8. Memorandum of Association, Articles of Association, prospectus, issue, allotment and forfeiture of share, calls on shares; issue of bonus shares;
9. Management: Classification of directors; legal positions, powers and duties; key managerial personnel, managing director, manager; committees of board of directors. Meetings of shareholders and board; types of meeting, convening and conduct of meetings, requisites of a valid meeting- notice, agenda.
10. Dividends and Audit: Provisions relating to payment of dividend, provisions relating to books of account, provisions relating to audit, auditors' appointment, rotation of auditors, auditors' report. Winding Up. Concept and modes of winding up, National Company Law Tribunal (NCLT), Appellate Tribunal (NCLAT).
11. Introduction to Financial System and its Components: Financial markets and institutions. Financial intermediation. Overview of Indian financial system. Financial Regulators in India: RBI, SEBI. Capital Markets-functions, organization and instruments. Commercial banking-introduction, its role in project finance and working capital finance.

12. India's Approach to banking Sector Reforms, Principles of sound lending, Secured vs. unsecured advances, Types of advances, Advance against various securities. Basel I, Basel II, Migration to Basel II Norms,
13. Basis of Financial Reporting: Purpose of financial reporting, users of financial reports, conceptual framework for financial statements. Understanding Financial Statements Structure of Financial Statements: Introduction, Statement of Financial Position (Balance Sheet), Statement of Earnings (Income Statement). Components of Financial Statements. Inventories, Receivables, Assets (Fixed Tangible, Intangible), Revenue, Income-Tax, Retained Earnings. Analysis & Interpretation of Financial Statements: Ratio Analysis - Liquidity, Solvency, Activity & Profitability Analysis, Comparative & Common Size Analysis (Vertical & Horizontal Analysis), Financial Statement Variation by Type of Industry. Financial Ratios used in Annual Reports.
14. Accounting for Share Capital & Debentures. Issue, forfeiture and reissue of forfeited shares. Issue of rights and bonus shares. Buy back of shares. Redemption of preference shares. Issue and Redemption of Debentures. Final Accounts. Preparation of profit and loss account and balance sheet of corporate entities. Disposal of company profits. Valuation of Shares. Concepts and calculation - simple problem only. Banking Companies. Prudential norms. Asset structure of a commercial bank. Non-performing assets (NPA).
15. Human Resource Management. Concept and functions. Human resource planning; Job analysis - job description and job specification; Recruitment - Concept and sources; Selection - Concept and process; Placement and induction. Performance Appraisal. Nature and objectives; Performance appraisal process; Methods of performance appraisal; Compensation - Concept and policies; Job evaluation; Performance linked compensation.
16. Investing Fundamentals. Types of Investment - Equity Shares, Bonds. Indian Securities Market: the market participants, trading of securities. Sources of financial information. Stock exchanges in India: BSE, NSE, MCX. Buying and selling of stocks. Stock Analysis and Valuation. Understanding stock quotations. Analysis of the company: financial characteristics (as explained by ratio analysis, future prospects of the company, assessing quality of management using financial and non-financial data, balance sheet and quarterly results, cash flows and capital structure). Comparative analysis of companies, Stock valuations: using ratios like PE ratio, and Price Revenue ratio. Pitfalls to avoid while investing: high P/E stocks, low price stocks.
17. Auditing: Basic Principles and Techniques; Classification of Audit, Audit Planning, Internal Control - Internal Check and Internal Audit; Audit Procedure - Vouching and verification of Assets & Liabilities; Company Auditor- Qualifications and disqualifications, Appointment, Rotation, Removal, Remuneration, Rights and Duties; Auditor's Report- Contents and Types, Liabilities of Statutory Auditors under the Companies Act 2013. Special Areas of Audit. Cost audit, Tax audit and Management audit. Conceptual Framework of Corporate Governance. Meaning, Theories, Models and Benefits of Corporate Governance; Board Committees and their Functions.
18. Meaning, objectives and advantages of cost accounting, Difference between financial, cost, and management accounting. Cost concepts and classifications. Materials:

Material/inventory control- concept and techniques, Accounting and control of purchases, storage and issue of materials. Methods of pricing of materials issues - FIFO, LIFO, Simple Average, Weighted Average, Replacement, Standard, Treatment of Material Losses.

19. Nature, scope and importance of marketing; Consumer Behaviour: Consumer buying process; Factors influencing consumer buying decisions-an overview. Market segmentation: Concept, Importance and Bases; Target market selection; Positioning concept, importance and bases; Product differentiation vs. market segmentation. Product Meaning and importance; Product classifications; Concept of product mix; Branding, packaging and labelling; (an overview).
20. Nature, Process and Importance of Communication, Types of Communication (verbal & Non Verbal), Different forms of Communication.
21. Types of Business Entities: Micro, Small and Medium Enterprises.
22. Difference between cost accounting and management accounting, Relationship between Financial Accounting and Management Accounting, Need, Importance, Limitations of Management Accounting, cost control, cost reduction, cost management. Budgeting and budgetary control: Concept of budget, budgeting and budgetary control, objectives, merits, and limitations, Budgeting vs Forecasting, Budgeting Process, Functional budgets, Cash budget, Fixed and flexible budgets, Zero base budget, Program and performance budgets.

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(Jugesh Kumar)  
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