

Mahatma Education Society's
Pillai College of Arts, Commerce & Science (Autonomous)

Affiliated to University of Mumbai

'NAAC Accredited 'A' grade (3 cycles)
'Best College Award' by University of Mumbai
ISO 9001:2015 Certified



SYLLABUS

Program: B.Com. Accounting and Finance

S.Y.B.Com. Accounting and Finance

PCACS/BAF/SYL/2024-25/SY

**As per National Education Policy
Choice Based Credit & Grading System**

Academic Year 2024-25



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Sr. No	Name	Composition Category	Signature
1	Dr. Abida Khan	Chairperson (Head of the Department of B.Com. Accounting & Finance)	
2	Dr. Kavita Kathare	Faculty Specialization	AB
3	Dr. Shardul Buva	Faculty Specialization	
4	Mrs. Sunita Saini	Faculty Specialization	
5	Mr. Chaitanya Athalye	Faculty Specialization	
6	Mrs. Rabiya Fakhri	Faculty Specialization	
7	Ms. Thejus Jackson	Faculty Specialization	
8	Mrs. Mausami Lambe	Faculty Specialization	
9	Dr. Jyoti Vidhani Amity Business School, Amity University, Mumbai 410206	Subject Expert 1 From Outside Parent University	

10	Dr. Vinit Joshi S.K.Somaiya College, Vidyavihar University, Ghatkopar, Mumbai	Subject Expert 2 From Outside Parent University	
11	Dr. Santosh Ghag Jai Hind College, Churchgate	Subject Expert 3 Vice Chancellor Nominee	Santosh G.
12	CA Naveen Bhat Chief Finance Officer, Nextg Apex India Pvt. Ltd.	Industry Representative (Industry/Corporate/Allied Sector)	
13	Dr. Lata Menon Principal, Pillai HOC College of Arts, Commerce & Science	Management Nominee	Lata Menon
14	CA Abhishek Salagre Batch: 2012-13	Meritorious Alumnus	
15	Dr. Gajanan Wader	Principal	
16	Mrs. Deepika Sharma	Vice-Principal	



Dr. Abida Khan
Head of the Department of
B.Com. Accounting & Finance

1. Introduction

B. Com course is designed to provide students with a wide range of managerial skills and also to understand accounting, management, commerce and financial markets. Commerce is visualized as a link between society and business. Commerce is an important part of any business. Technology has remodeled the shape and design of business engendering the metamorphosis of its very nature as well as the matrix of societal functioning.

B.Com. programme aims at building in students an understanding about functioning and premise of the business world. In order to achieve this, the programme offers opportunities to students to know different aspects of organizational functioning, financial systems, understanding of economy, laws governing business, strategies adopted by business to reach to society etc. The programme also provides the students an opportunity to explore, experiment and equip themselves to serve the society not only as employment seeker but also as an entrepreneur and job creator. The programme enables the students to hone the required skills to become self-reliant. About teaching learning processes, it is intended to have flexibility making it more student-centric.

2. Programme outcome for B. Com Programme

Sr. No.	PO Title	PO Brief
PO1	Business knowledge	Demonstrate and popularise Make in India, and entrepreneurial skills, for managing their own business by using different concepts in Statistics Accounting, Taxation, Auditing, Commerce, law, finance in an economic environment.
PO2	Effective Communication & Networking	Explain and present ideas effectively in multi-dimensional domains. Network in a professional environment exhibiting comprehensive domain knowledge and insights. Ability to comprehend, write effective reports, design documents and make effective presentations.
PO3	Professional & Moral Ethics	Recognize and respect different value systems. Demonstrate high standards of academic and professional integrity. Act with an informed awareness of national and global needs
PO4	Individual and team work	Display skills sets in pursuit of continuous learning and adapt to the changing professional and social needs with good teamwork. Function effectively in multidisciplinary settings.
PO5	Social sensitivity	Participating actively in initiatives that encourage equity and growth for all by applying contextual knowledge to assess societal, health, safety, legal, and cultural issues relevant to professional business practice.
PO6	Life- long learning	Ability to arrange in independent and life -long learning in the broadest context of business change.
PO7	Usage of Modern Tools	Identify and create opportunities to launch innovative ventures for socio-economic development through accounts and information technology software and value-based courses to fulfil industry requirements.
PO8	Environment & Sustainability	Engage in environmental sustainability and community development initiatives.

3. Programme Specific Outcome

PSO 1	Prove proficiency require to engage in professional programmes like Chartered Accountant, Cost and Management Accountant, Certified Chartered Accountant, Company Secretary and competitive exams like MBA in Finance
PSO 2	Develop over all knowledge about Commerce and in-depth knowledge about core subjects of accountancy and finance such as Financial Accounting, Taxation, Financial Management, Cost Accounting
PSO 3	Acquire practical skills required to function as tax consultant, audit consultant and for other financial supporting services.
PSO 4	Exhibit higher order professional communication skills, social skills, accounting skills and computer skills to manage business.

Course Structure

Semester III

Course Code	Course Type	Course Title	Mark s	Credits	Lectures / Week
PUCAF301	MAJOR	Financial Accounting III	100	4	4
PUCAF302	MAJOR	Cost Accounting II	100	4	4
PUCAF303	MAJOR	Taxation I (Direct Tax I)	100	4	4
PUCAF304	DSC MIN	Basics of Financial & Investment Market	100	3	4
PUCAF305	SEC	Mini Project	100	2	2
PUAEC30	AEC	To be taken from the Pool	100	2	3
PUIDC30	IDC	To be taken from the Pool	100	3	4
Total			700	22	24
All Subjects having Field Project as part of Continuous Assessment-2					

Semester IV

Course Code	Course Type	Course Title	Marks	Credits	Lectures/ Week
PUCAF401	MAJOR	Financial Accounting IV	100	4	4
PUCAF402	MAJOR	Management Accounting	100	4	4
PUCAF403	MAJOR	Taxation II (Direct Tax II)	100	4	4
PUCAF404	DSC MIN	Security Analysis and Portfolio Management	100	3	4
PUCAF405	SEC (SWAYAM)	From the Programme Pool (Programme Level)	100	2	2
PUAEC40	AEC	To be taken from the Pool	100	2	3
PUIDC40	IDC	To be taken from the Pool	100	3	4
Total			700	22	24

Abbreviations:

SEC: Skill Enhancement Course

AEC: Ability Enhancement Course

IDC: Interdisciplinary Course

Evaluation Pattern:

Marking Code	Marking Scheme
A	60 Marks Semester End Written Exam, 20 Marks Continuous Assessment, 15 Marks Field Project, 5 Marks for Active Participation
B	60 Marks Semester End Written Exam 35 Marks Project, 5 Marks for Active Participation.
C	100 marks distributed within report /case study/ project/ presentation/survey/analysis/quiz and active participation etc.

Semester III

Course Code	Course Type	Course Title	Evaluation Pattern
PUCAF301	MAJOR	Financial Accounting III	A
PUCAF302	MAJOR	Cost Accounting II	A
PUCAF303	MAJOR	Taxation I (Direct Tax I)	A
PUCAF304	DSC MIN	Basics of Financial & Investment Market	A
PUCAF305	SEC	Mini Project	C
PUAEC30	AEC	To be taken from the Pool	C
PUIDC30	IDC	To be taken from the Pool	C

Semester IV

Course Code	Course Type	Course Title	Evaluation Pattern
PUCAF401	MAJOR	Financial Accounting IV	A
PUCAF402	MAJOR	Management Accounting	A
PUCAF403	MAJOR	Taxation II (Direct Tax II)	A
PUCAF404	DSC MIN	Security Analysis and Portfolio Management	A
PUCAF405	SEC (SWAYAM)	From the Programme Pool (Programme Level)	C
PUAEC40	AEC	To be taken from the Pool	C
PUIDC40	IDC	To be taken from the Pool	C

Semester End Written Exam Question Paper Pattern- 4 Questions * 15 Marks = 60 Marks

Semester End Written Exam		
Question	Marks	Marks
Q. 1) a) and b) or Q. 1) c) and d)	7 Marks and 8 Marks or 7 Marks and 8 Marks (15 Marks Question can be asked in Practical Subjects)	15 Marks
Q. 2) a) and b) or Q. 2) c) and d)	7 Marks and 8 Marks or 7 Marks and 8 Marks (15 Marks Question can be asked in Practical Subjects)	15 Marks
Q. 3) a) and b) or Q. 3) c) and d)	7 Marks and 8 Marks or 7 Marks and 8 Marks ((15 Marks Question can be asked in Practical Subjects)	15 Marks
Q. 4) Case study	7 & 8 Marks or 5, 5& 5 marks	15 Marks
Total		60 Marks

Continuous Assessment Paper Pattern-

Continuous Assessment I – Written Exam	Marks	Marks
Q.1) 5 short analysis type questions (2 marks each)	10 Marks	
Q.2) 2 Questions of 5 Marks each (practical or theory)	10 Marks	20 Marks
Continuous Assessment II -		
Project/Presentations/Viva		15 Marks
Active Participation		5 Marks
Total		40 Marks

SEMESTER III

BOS	B.Com. Accounting and Finance
Class	S.Y.B.Com. Accounting and Finance
Semester	III
Course Name	Financial Accounting – III
Course Code	PUCAF301
Type of Course	Major
Course Credit	4
Level of the Course	Moderate

Course Objectives:

1. Understand the various aspects of partnership accounting.
2. Create awareness about LLP and its formation and its accounting.

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1	Partnership Final Accounts based on Adjustment of Admission or Retirement / Death of a Partner during the Year	1.1	Preparation of final accounts with the adjustment of admission of partners during the accounting year/beginning of the accounting year.	15
		1.2	Preparation of final account when the partner retires during the accounting year/end of the accounting year.	
			Preparation of final accounts with the adjustment of death of a partner	
		1.3	Admission/retirement/death with the adjustment of allocation/ascertainment of gross profit and apportionment of expenses on the basis of time/sales/specific ratio. It excludes	

			questions where admission/retirement/death takes place in the same year.	
2	Piecemeal Distribution of Cash (Excess Capital method)	2.1	Assets taken over by partner	10
		2.2	Treatment of past profit or past losses in Balance Sheet	
			Contingent liabilities, realisation expenses/other expenses	
		2.3	Secured liabilities - Concept and treatment	
			Preferential liabilities - Concept & treatment	
3	Amalgamation of firms (Realisation method)	3.1	Calculation of purchase consideration	15
			Journal entries/ledger accounts in the books of old/amalgamated firms	
		3.2	Journal entries/ledger accounts in the books of New/amalgamated firms	
			Adjustment of goodwill in the new firm and preparation of current account by adjusting the capital accounts in the new firm	
		3.3	Preparation of Balance sheet of the new firm	
4	Conversion or sale of partnership firm into a limited company	4.1	Calculation of new purchase consideration	05
		4.2	Preparation of journal/ledger in the books of old firms	
		4.3	Preparation of Balance sheet of the new company	

5	Accounting for Limited Liability Partnership	5.1	Introduction, difference between LLP and partnership firms and provisions relating to LLP	15
		5.2	Meaning of partners in LLP, designated partners, DPIN, Schedule I of LLP Act, 2008, Books of accounts & audit	
		5.3	Steps for conversion of partnership firm into LLP	
			Preparation of Final Accounts of LLP	
Total Number of Lectures				60

Course Outcome: By the end of the course the student will be able to:

1. Describe the accounting treatment for preparation of Partnership Final Accounts based on Adjustment of Admission or Retirement / Death of a Partner during the Year.
2. Explain the preparation of a statement of piecemeal distribution of cash and describe the order of payment of various liabilities.
3. Apply realization method in amalgamation of firms and prepare accounts in the books of new firms.
4. Examine the method of calculation of purchase consideration & procedure for converting Partnership Firm into a Ltd. Company.
5. Evaluate the requirement and regulations for formation of Limited Liability Partnership form of organisation.
6. Creating final accounts of Limited Liability Partnership.

Reference books:

1. Financial Accounting [Special Accounting Areas] Sem 3, Sheth publication
2. Financial Accounting [Special Accounting Areas] Sem 3, Manan Prakashan.
3. Financial Accounting [Special Accounting Areas] Sem 3, Vipul publication
4. Business Law-III, Vipul Prakashan
5. The Rayner-Slade Amalgamation Paperback

Case Studies:

I	XYZ Electronics, a well-established consumer electronics manufacturer, and ABC Appliances, a leading kitchen appliance manufacturer, decided to amalgamate to strengthen their market position and achieve operational synergies. This case study explores their journey. XYZ Electronics wanted to diversify its product portfolio and enter the kitchen appliance market. ABC Appliances aimed to expand its reach and
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	<p>leverage XYZ’s distribution network and technology expertise.</p> <p>XYZ Electronics acquired a majority stake in ABC Appliances. The two companies formed a joint integration team to streamline operations and product development. They rebranded as XYZ ABC Appliances; to signify their unity. The companies had different corporate cultures, which caused initial friction among employees. Aligning product development and manufacturing processes for electronics and appliances was complex. Optimizing the distribution network without disrupting sales was challenging.</p> <p>A cultural integration program was introduced to foster teamwork and align values. Cross- functional teams were created to innovate and adapt products for synergy. Distribution centers were rationalized to reduce costs while ensuring product availability. XYZ ABC Appliances became a one-stop-shop for consumer electronics and kitchen appliances. The integrated product lines led to cost savings and increased cross-selling opportunities. Market share and revenue grew, solidifying their position as a market leader. Amalgamation can drive growth through diversification and operational efficiencies. Cultural integration and cross-functional collaboration are vital for success. Market research and strategic planning are essential before embarking on such mergers. This case study highlights how the amalgamation of XYZ Electronics and ABC Appliances created a stronger, more competitive entity in the consumer electronics and kitchen appliance market.</p>
<p>II</p>	<p>John and Sarah, both experienced software developers, decided to start their own software development business. They were concerned about personal liability and wanted to structure their venture in a way that offered legal protection. This case study explores their decision to form a Limited Liability Partnership (LLP). John and Sarah decided to form an LLP, which is a hybrid business structure that combines features of a partnership and a corporation. They registered their business as “TechSolutions LLP” and filed the necessary paperwork with their local business registrar.</p> <p>By choosing an LLP, John and Sarah’s personal assets remained protected. In the event of business debts or legal issues, their personal finances were not at risk. They had the flexibility to manage the business themselves without the stringent corporate governance requirements of a corporation. The LLP structure allowed profits and losses to pass through to John and Sarah’s personal tax returns, simplifying their tax obligations. TechSolutions LLP gained credibility in the eyes of clients, as the LLP designation implied a level of professionalism and commitment. Complying with the LLP regulations and annual filing requirements. Maintaining a clear separation between personal and business finances to preserve limited liability.</p> <p>TechSolutions LLP successfully won several software development contracts and grew its client base. The limited liability structure provided peace of mind, especially when dealing with complex client projects. They hired additional developers as the business expanded while maintaining the LLP status. LLPs offer a middle ground between sole proprietorships/partnerships and corporations, combining liability protection with operational flexibility. Careful attention to regulatory compliance is crucial for maintaining LLP status. For businesses where personal liability is a concern, forming an LLP can be a strategic choice.</p>

BOS	B.Com. Accounting and Finance
Class	S.Y.B.Com. Accounting and Finance
Semester	III
Course Name	Cost Accounting II
Course Code	PUCAF302
Type of Course	Major
Course Credit	4
Level of the Course	Moderate

Course Objectives:

- 1) To make students understand the meaning of contract and process costing and its practical implementation.
- 2) To make students understand different types of budget and its relevance in performance evaluation.

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1.	Reconciliation of Cost and Financial Accounts	1.1	Introduction	10
		1.2	Practical problems based on Reconciliation of cost accounts and financial accounts.	
2	Contract Costing	2.1	Meaning, Features of Contract Costing, Contract accounts, Accounting for material, Accounting for Tax deducted at source by the Contractee, Accounting for plant used in a contract,	15
		2.2	Progress payments, Retention money, treatment of profit on incomplete contracts, Contract profit and Balance sheet entries,	
		2.3	Escalation clause, Practical Problems	
3	Process Costing	3.1	Meaning, Features of Process Costing, Process loss, Abnormal gains and losses,	15

			Joint products and by products, excluding Equivalent units, Inter-process profit	
		3.2	Practical problems on Process Costing and joint and by products	
4	Budgetary Control	4.1	Meaning & objectives, Advantages and limitations of budgets	15
		4.2	Functional budgets, fixed and flexible budgets, Zero based budgeting, performance budgeting	
		4.3	Problems based on flexible and functional budgets	
5	Emerging Concept of Costing: Target Costing	5.1	Meaning, Features, Advantages and Limitations, Steps in Target Costing,	05
		5.2	Distinguish between Traditional Costing Method and Target Costing Method	
		5.3	Case Studies	
Total Number of Lectures				60

Course Outcome: By the end of completion of course, Students will be able to,

1. Find reasons for differences between cost records and financial profit & loss accounts.
2. Demonstrate contract costing and its relevance in the Construction industry.
3. Apply steps in process costing and calculate abnormal loss/abnormal gain in the process.
4. Classify different types of budgets and its practical applications.
5. Compare traditional costing and target costing method.
6. Solve practical problems on different types of budgets.

Reference books:

1. Cost Accounting by Jawaharlal published by Tata McGraw Hills
2. Theory and problems of Cost and Management accounting by M Y Khan and P K Jain published by Tata McGraw Hills
3. Cost Accounting by Ravi M Kishore published by Taxman ltd.
4. Cost Accounting by N K Prasad
5. Cost Accounting- Theory and Practice by B K Bhar
6. Cost Accounting- Theory and Practice by M N Arora published by

Case Studies:

Sr. No.	Case Study
I	<p>A new product has been created by a corporation. Surya. The product might sell for Rs. 70 per unit, according to current projections for the market. For administrative and marketing costs to be covered, a gross profit margin of at least 30% on the selling price would be necessary. The following production cost estimate for NP8 was generated via a cost estimating research.</p> <p>Cost item:</p> <ul style="list-style-type: none">i) Direct material TYPE1 - Rs9 per unitii) Direct material TYPE2 - Three metres of material TYPE2 are needed to produce one unit of product NP8, however 10% of that material will be lost in production costs. Each metre of material TYPE2 costs Rs. 1.80.iii) Direct labour - 0.50 hours of direct labour will be needed to produce each unit of product NP8. However, it is anticipated that 5% of the total labour time that was paid for will be spent idle. The hourly wage for labour is Rs 19.
II	<p>Simran Motorcorp is a car manufacturer planning to launch a new electric vehicle (EV) model. They want to set a target cost for the EV to compete effectively in the market. The estimated target selling price is ₹40,000, and they want to achieve a 15% profit margin. They have estimated the following costs:</p> <ul style="list-style-type: none">- Direct materials cost: ₹15,000 per unit- Direct labor cost: ₹5,000 per unit- Manufacturing overhead: ₹3,000 per unit- Selling and administrative expenses: ₹2,000 per unit

BOS	B.Com. Accounting and Finance
Class	S.Y.B.Com. Accounting and Finance
Semester	III
Course Name	Taxation I (Direct Tax I)
Course Code	PUCAF303
Type of Course	Major
Course Credit	4
Level of Course	Basic

Course Objectives:

1. To acquire the ability to analyze and interpret the provisions of direct tax laws.
2. To understand implementation of tax provision.

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1	Definitions u/s – 2 , Basis of Charge and Exclusions from Total Income	1.1	Definitions u/s – 2: Section 2 –Assesse, Assessment Year, Assessment, Annual value, Business, Capital asset, Income, Person, Previous Year, Transfer	15
		1.2	Basis of Charge: Section 3 – 9 – Previous Year, Residential Status, Scope of Total Income, Deemed Income	
		1.3	Exclusions from Total Income: Section 10 restricted to, Agricultural Income, Sums Received from HUF By Member, Share of Profit from Firm, Casual & Non – Recurring Receipts, Scholarships, Income of Minor Child, Allowance to Members of Parliament and Legislative Assembly	
2	Heads of Income	2.1	Salary Income Section 15 – 17, Including Section 10	15

		2.2	Income From House Property Section 22 – 27, Including Section 2 – Annual Value	
		2.3	Profits & Gains from Business & Profession Section 28-32, 36, 37, 40, 40A, 43B, 44AD, 44ADA & 44AE	
		2.4	Capital Gains Section 45, 48, 49, 50, 54 and 55 Income from Other Sources Section 56 – 59	
3	Deductions under Chapter VI – A	3.1	80 A- Restriction on claim in Chapter VI- A deductions	15
		3.2	80 C – Eligible investments	
		3.3	80CCC – Contribution to certain Pension Fund 80D – Medical Insurance Premium	
		3.4	80 DD- Maintenance of handicapped dependent 80E – Interest on Educational Loan 80 TTA & 80TTB- Interest on Saving Bank account 80U – Deduction physically handicapped or mentally retarded resident person	
4	Computation of Total Income & Assessment	4.1	Computation of Total Income of Individual with respect to above heads and deductions	1
		4.2	Computation of Total Income of HUF with respect to above heads and deductions	
Total Number of Lectures				60

Note: Relevant Law/Statute/Rules in force and relevant Standards in force on 1st April immediately preceding commencement of Academic Year is applicable for ensuring examination after relevant year.

Course Outcome: By the end of this course the students will be able to,

1. Develop skills of interpretation of statute for basic concepts, definitions and terms related to direct taxation
2. Relate the concept of residential status with the scope of total income for an assessee with different kinds of residential status.

3. Justify format for calculating incomes under various heads of Income and justify their format
4. Examine the capability of students to interpret the provisions and implement in format of calculation of income under different heads.
5. Compile all the provisions and develop method and format for calculations
6. Construct method for calculation of net total taxable income of an assessee after reducing the deductions from the gross total income of individual and HUF

Reference Books:

1. Direct Taxes Law and Practice: Dr. Vinod Singhania
2. Income Tax Law: T.N.Manoharan
3. Income Tax Guide: Subhash Lakhotia
4. Tax Law I: Girish Shukla
5. Handbook on Income Tax: CA Raj K Agarwal

Case Studies:

Sr. No.	Case Study
I	<p>There is a case of compulsory acquisition of property by the Government in 2005-06. Mr. Doshi Property was received under will in 2001-02 by Mr. Doshi. FMV as on 2001-02 for Rs 18,00,000. He received compensation of Rs 60,00,000 in 2020-21, which was not satisfactory o Mr. Doshi. He applied for enhanced compensation in 2020-21. His compensation was approved as Rs. 75,00,000 in 2020-21 but received this year, 2021-22. He also received Interest on enhanced compensation Rs.4,00,000. Mr. Doshi is not ready to pay tax on Interest on enhanced compensation. He claims that it's his right to receive for delay from the Government.</p> <p>CII 2001-02 = 100, 2005-06 = 117, 2020-21 = 301, CII 2021-22 = 317</p> <p>He further claims that enhanced compensation should be taxable after giving deduction of Cost of Acquisition again. And interest should be freed from taxability.</p>
II	<p>Mr. Aniket, Indian citizen (age 55 years) He was born in India and stayed in India since birth. He recently switched his job and joined a new company. He was placed Onsite and he left India on 25/09/2022 for the purpose of employment outside India and comes to India on 01/04/2023. His stay in India during</p> <p>PY 2018-19 was 125 days, PY 2019-20 was 134 days, PY 2020-21 was 98 days and PY 2021-22 was 201 days.</p>

BOS	B.Com. Accounting and Finance
Class	S.Y.B.Com. Accounting and Finance
Semester	III
Course Name	Basics of Financial and Investment Market
Course Code	PUCAF304
Course Type	Discipline Minor
Course Credit	3
Level of the Course	Moderate

Course Objectives:

1. To make students acquaint with the relevant aspects of Indian Financial Markets and Investment Marketing
2. To create a further base in finance for the students.

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1	Indian Financial Markets	1.1	Introduction to Financial Markets, Financial Markets as a part of Financial System, Types of Financial Markets, Unorganized Market, Organized Market	10
		1.2	Regulatory Framework in Financial Market RBI, SEBI, IRDA	
		1.3	Impact of unusual situations on Financial Markets	
2	Capital, Money and Debt Market	2.1	Introduction, Characteristics, Functions and Importance of Capital Market Classification of Capital Market- Primary market and Secondary Market, Instruments of Capital Market	20
		2.2	Methods of Raising Funds Through Capital Market Recent Trends in Capital Market	

			Money Market- Introduction, Features Importance and Instruments of Money Markets	
		2.3	Introduction, Features of Debt Market, Advantages, Classification of Debt Instruments, Debt Vs Equity, Regulatory Framework in Debt Market Recent Trends in Debt Market	
3	Alternate Investment Markets	3.1	Meaning of Alternative Investment Market Gold Market-Meaning, Advantages and Disadvantages	15
		3.2	Real Estate Market- Meaning, Advantages and Disadvantages,	
		3.3	Post Office Schemes- Saving Bank Account, Recurring Deposit, Term Deposit, Kisan Vikas Patra, Sukanya Samriddhi Account, Senior Citizen Saving Account, National Saving Certificate	
4	Emerging Investment Markets	4.1	CryptoCurrency- Bitcoin, Ethereum, Bianca coin, Tether, XRP, Cardano, Dogecoin	15
		4.2	Govt. Regulations regarding Crypto currency	
		4.3	Recent Trends and Problems related to Crypto Currencies	
Total No. of Lectures				60

Course Outcomes: By the end of this course, the students will be able to,

1. Define the Financial Market and classification of the same.
2. Describe Various Components of Financial Markets in detail along with Various Financial Instruments.
3. Demonstrate Recent Trends, Importance and Regulations of Financial Market.
4. Survey Various Traditional Investment Market in India which Work as an Alternative to Stock Market
5. Determine Aspects related to Traditional Investment Markets such as Risk, Returns, Regulations, Limitations Etc.
6. Discuss Emerging and Upcoming Financial Markets with Good Potential.

References Books:

1. Dr. Vinod Kumar, Atul Gupta & Manmeet Kaur, Financial Markets & Institutions, Taxman
2. Bharati V. Pathak, The Indian Financial System: Markets, Institutions and Services, 3rd Edition, Pearson India.
3. Financial Institutions and Markets - Structure, Growth & Innovations, L. M. Bhole
4. Financial Institutions and Markets, Shashi Gupta
5. Foundations of Financial Markets & Institutions 3rd Edition, Fabbozi Frank J
6. Guide to Indian Commodity Market- Ankit Gala and Jitendra Gala

Case Studies-

Sr. No.	Case Study
I	Mr. And Mrs. Kulkarni is a Retired Couple who recently got their Provident fund Money of 2 Crores. Being retired, they wish to shift to their native Place at Ratnagiri. As retired old age Couple they do not have many Needs. They Mainly need money for Food, Medicines, Entertainment (TV, Reading Books Etc...) and occasional travel in and outside Country. as This will be their last income, they wish to use it wisely and get a fixed Monthly Income.
II	Mr. Saurabh is working as an Engineer in a well-established Company in Mumbai earning monthly salary of Rs. 80,000/-. He is currently 30 Years Old but wishes to retire by the age of 50 for which he needs to invest in such investment options which can give him the wealth which he Requires. He is Considering Diversifying his portfolio for the Purpose of Safety and Returns.

SEMESTER IV

BOS	B.Com. Accounting and Finance
Class	S.Y.B.Com. Accounting and Finance
Semester	IV
Course Name	Financial Accounting – IV
Course Code	PUCAF401
Type of Course	Major
Course Credit	4
Level of the Course	Medium

Course Objectives:

1. To make students understand the related provisions of Companies Act and its applicability in preparation of final account of companies
2. To make students learn the process, methods and requirement for redemption of Debentures and preference Shares as per Companies Act and its effect on Balance sheet.

Unit No.	Name of Unit	Topic No	Name of Topic	Hours
1	Preparation of Final Account of Companies	1.1	Relevant Provisions of Companies Act related to preparation of Final Account	15
		1.2	Preparation of financial statements as per Companies Act	
		1..3	AS 1 in relation to final accounts of companies (Disclosure of accounting policies)	
		1.4	Excluding Cash Flow Statement	
2	Redemption of Preference Shares	2.1	Provision of the Companies Act for redemption of Preference Shares (Section 55 of Companies Act, 2013, Companies (Share and Debentures) Rules	15

		2.2	Methods of Redemption of fully paid up Preference Shares as per Companies Act, 2013: The proceeds of a fresh issue of shares, the capitalization of undistributed profits and a combination of both. Calculation of minimum fresh issue to provide the fund for redemption	
		2.3	Questions on journal entries and Balance sheet	
3	Redemption of Debentures	3.1	Introduction: Provisions of Section 71(1) and (4) of the Companies Act, 2013	15
		3.2	Creation and investment of DRR including the Companies (Share Capital and Debentures) Rules, 2014	
			Methods of writing off discount / loss on issue of debentures, Terms of issue of debentures	
		3.3	Methods of redemption of debentures: by payment in lumpsum and by payment in instalments (excluding purchase in open market), Conversion	
			Questions on journal entries, ledger and balance sheet	
4	Investment Accounting (w.r.t. Accounting Standard 13)	4.1	Introduction	10
		4.2	Variable Income Bearing Securities: Shares	
		4.3	Fixed Income Bearing Securities: Debentures / Preference Shares	
			Preparation of Investment Account in columnar form	
5	Introduction to accounting software Tally	5.1	Introduction to Tally Software, Steps of accounting in Tally	5
		5.2	Creation of company, creating accounting groups, creating & displaying ledger	

			accounts, Voucher entry, Display of Trial balance, profit & loss & balance Sheet	
Total number of Lectures				60

Course Outcomes: By the end of this course, Students will be able to,

1. Recall preparation of final account, posting of incomes, expenses, assets and liabilities.
2. Outline provisions of redemption of preference shares as per companies act and identify its effect on the balance sheet of the company.
3. Apply methods of redemption of debentures and evaluate the effect on the balance sheet of the company.
4. Classify Variable and Fixed Income bearing Investments and its accounting.
5. Create Trial Balance, Profit & Loss Account and Balance sheet in accounting software tally
6. Solve practical problems on final account of companies as per relevant provisions of Companies act.

Reference Books:

1. Introduction to Accountancy by T. S. Grewal, S. Chand and Company (P) Ltd., New Delhi
2. Modern Accountancy by Mukherjee and Hanif, Tata Mc. Grow Hill & Co. Ltd., Mumbai
3. Ashok Sehgal – “Fundamentals of Financial Accounting”, Taxman’s Publishers
4. Ashish K. Bhattacharyya – “Financial Accounting for Business Managers”, Prentice Hall of India Pvt. Ltd.
5. Financial Accounting by V. Rajasekaran, Pearson Publications, New Delhi.

Case Studies:

Sr. No.	Case Study																
I	<p>During the year ended 31st March 2023, Mr. Kotak bought and sold the following 12% debentures of Rs. 100 each of Mahindra Ltd. Interest being payable by Mahindra Ltd. on 1st April and 1st October every year.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Date</th> <th style="text-align: center;">No. of Debentures</th> <th style="text-align: center;">Transaction</th> <th style="text-align: center;">Rate</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1-6-2022</td> <td style="text-align: center;">600</td> <td style="text-align: center;">Purchases</td> <td style="text-align: center;">Rs. 92 ex- interest</td> </tr> <tr> <td style="text-align: center;">1-9-2022</td> <td style="text-align: center;">200</td> <td style="text-align: center;">Purchases</td> <td style="text-align: center;">Rs. 94 cum-interest</td> </tr> <tr> <td style="text-align: center;">1-12-2022</td> <td style="text-align: center;">400</td> <td style="text-align: center;">Sale</td> <td style="text-align: center;">Rs. 102 cum-interest</td> </tr> </tbody> </table> <p>Books are closed on 31st March every year. Market Price on 31st March 2023 was 90 per debenture.</p>	Date	No. of Debentures	Transaction	Rate	1-6-2022	600	Purchases	Rs. 92 ex- interest	1-9-2022	200	Purchases	Rs. 94 cum-interest	1-12-2022	400	Sale	Rs. 102 cum-interest
Date	No. of Debentures	Transaction	Rate														
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1-9-2022	200	Purchases	Rs. 94 cum-interest														
1-12-2022	400	Sale	Rs. 102 cum-interest														
II	Speed Wagon Corporation is a leading manufacturing company that specializes in																

producing automotive parts. The company has been in operation for over two decades and has established a strong market presence with a diverse range of products. In order to raise capital for expansion projects, Speed Wagon Corporation issued 10,000 cumulative preference shares at a face value of ₹100 each, with a dividend rate of 8%.

After careful evaluation of its financial position and future capital requirements, Speed Wagon Corporation decides to redeem its preference shares after 5 years. The company aims to streamline its capital structure and reduce its long-term financial obligations

The redemption of preference shares is scheduled to occur on the 5th anniversary of their issuance. Speed Wagon Corporation offers a premium of 10% for the redemption of preference shares, in addition to the face value. Shareholders will receive both the face value of ₹100 per share and a premium of ₹10 per share upon redemption.

BOS	B.Com. Accounting and Finance
Class	S.Y. B.Com. Accounting and Finance
Semester	IV
Course Name	Management Accounting
Course Code	PUCAF402
Type of Course	Major
Course Credit	4
Level of the Course	Basic

Course objectives:

1. Understand the subject of Management Accounting and its relationship with Financial Accounting.
2. To learn the various tools and techniques used in management accounting.

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1	Introduction to Management Accounting	1.1	Management Accounting and its scope	05
			Relationship between Financial Accounting and Management Accounting	
		1.2	Functions of a Management Accountant	
			Types of information used in decision making	
		1.3	Introduction to Management reporting	
			Introduction to Management Information System and its role	
2	Introduction to Financial Statement & Analysis	2.1	Introduction to Financial Statements	15
		2.2	Study of Balance Sheet and Income statement –Vertical form suitable for analysis	
		2.3	Tool for analysis of financial statements	

			Trend Analysis, Common size statement and Comparative statement	
3	Ratio Analysis & Interpretation	3.1	Classification of Ratios, Advantages and limitations of ratios	15
		3.2	Balance sheet ratios- Current ratio, liquid ratio, debt equity ratio, capital gearing ratio, proprietary ratio and stock to working capital ratio	
			Profit & Loss statement ratios- Gross profit ratio, operating profit ratio, net profit ratio, operating ratio, administrative expense ratio, selling expense ratio, finance expense ratio and stock turnover ratio	
		3.3	Combined Ratios- return on capital employed, return on proprietor's fund, return on equity, earning per share, price earnings ratio, dividend payout ratio, debt service ratio, debtors turnover ratio, debtors collection period, creditors turnover ratio and creditors payment period	
Interpretation of ratios for decision making				
4	Working Capital Management	4.1	Concept and factors affecting requirement of Working Capital	10
		4.2	Types of Working Capital	
		4.3	Operating Cycle & Computation	
			Estimation/Projection of Working Capital requirement	
5	Cash Flow Statement	5.1	Introduction, Objectives and Importance	15
		5.2	Cash flow from Operating, Investing & Financing activities	
		5.3	Preparation of Cash flow statement as per A.S. 3 (Indirect method)	
Total number of lectures				60

Course Outcome: By the end of the course the students will be able to,

1. Identify the subject and find its various components and role of MIS.
2. Explain the preparation of financial statements and describe the various constituent elements.
3. Application of various tools for analysis of financial statements.
4. Outline the various ratios and demonstrate its impact on financial analysis.
5. Evaluate the working capital requirement of organizations.
6. Create a cash flow statement as per statutory requirement.

Reference Books:

1. Prasanna Chandra: Financial Management, Tata McGraw Private Limited.
2. I. M. Pandey – Financial Management, Vikas Publication.
3. M. Y. Khan & P. K. Jain – Financial Management, Tata McGraw Private Limited.
4. Bhabatosh Banerjee – Fundamentals of Financial Management, PHI Learning.
5. Management Accounting: Text, Problems, and Cases" by M.N. Arora:
6. Management Accounting: Principles and Practice

Case Studies:

Sr. No.	Case Study																														
I	Following are the financials of Zeta Ltd:																														
	<table border="1"><thead><tr><th>Particulars</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th></tr></thead><tbody><tr><td>Fixed asset</td><td>10,000</td><td>?</td><td>15,000</td><td>?</td></tr><tr><td>Net worth</td><td>?</td><td>12,000</td><td>?</td><td>16,000</td></tr><tr><td>Current assets</td><td>10,000</td><td>10,500</td><td>12,000</td><td>13,000</td></tr><tr><td>Current liabilities</td><td>5,000</td><td>5,000</td><td>6,000</td><td>6,500</td></tr><tr><td>Long term loans</td><td>5,000</td><td>6,000</td><td>7,000</td><td>8,000</td></tr></tbody></table>	Particulars	2019	2020	2021	2022	Fixed asset	10,000	?	15,000	?	Net worth	?	12,000	?	16,000	Current assets	10,000	10,500	12,000	13,000	Current liabilities	5,000	5,000	6,000	6,500	Long term loans	5,000	6,000	7,000	8,000
	Particulars	2019	2020	2021	2022																										
	Fixed asset	10,000	?	15,000	?																										
	Net worth	?	12,000	?	16,000																										
	Current assets	10,000	10,500	12,000	13,000																										
	Current liabilities	5,000	5,000	6,000	6,500																										
Long term loans	5,000	6,000	7,000	8,000																											
II	The following are the extract from Taurus Ltd as on 31.03.2022 Rs in crores																														
	<table border="1"><thead><tr><th>Particulars</th><th>Rs</th></tr></thead><tbody><tr><td>Profit before tax</td><td>12,255</td></tr></tbody></table>	Particulars	Rs	Profit before tax	12,255																										
Particulars	Rs																														
Profit before tax	12,255																														

Purchase of long-term investment in government securities	5,455
Sale of long-term investment in government fixed deposits	4,500
Proceeds from issue of equity shares	3,500
Purchase of property, plant and equipment	2,500
Repayment of long-term borrowings	1,875
Cash & cash equivalent at the beginning of the year	659
Dividends paid	87
Depreciation and Amortisation expense	257.5
Interest expenses	350.50
Direct tax paid	1,500.50
Decrease in trade receivables	2,450.00
Decrease in other current liabilities	1,150.00
Interest paid	125.00
Increase in inventories	975.75
Increase in trade payables	350.00
Decrease in other current assets	55.00
Interest income	250.50
Interest received	250.50
Profit on sale of investments	61.50
Proceeds from sale of property, plant and equipment	505.00
Loss on sale of property, plant and equipment	42.50

BOS	B.Com. Accounting and Finance
Class	S.Y. B.Com. Accounting and Finance
Semester	IV
Course Name	Taxation II – Direct Tax II
Course Code	PUCAF403
Type of Course	Major
Course Credit	4
Level of the Subject	Basic

Course Objectives

1. To develop the ability to analyse and interpret the provisions of The Indian Income Tax Act, 1961.
2. To understand the procedure from computation of net taxable income of Individual and Partnership firms.

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1	Deduction under Chapter VI A	1.1	80 A- Restriction on claim in Chapter VI- A deductions	10
		1.2	80 C – Eligible investments	
		1.3	80CCC – Contribution to certain Pension Fund 80D – Medical Insurance Premium 80 DD- Maintenance of handicap dependent 80E – Interest on Educational Loan 80 TTA- Interest on Saving Bank account 80U – Deduction physically handicapped or mentally retarded resident person	
2	Computation of Total Income and Tax liability	2.1	Computation of Tax liability of Individual	20
		2.2	Computation of Income of Partnership Firm in Relation to Sec: 40(b) & Tax Thereon with Applicable Rate of Tax	

3	Tax Deduction at Source	3.1	Basic Aspects of Deduction of Taxes at Source Sec: 192 – TDS on Salary Sec: 194A – TDS on Interest Sec: 194C – TDS on Contractor Sec: 194H – TDS on Commission Sec: 194I – TDS on Rent Sec: 194J – TDS on Professional Fees	20
	Advance Tax U/S 207, 208, 209, 210 & 211	3.2	Advance Tax U/S 207, 208, 209, 210 & 211 Sec: 207 – Income Liable to Advance Tax Sec: 208 – Liability of Advance Tax Sec: 209 – Computation of Advance Tax Sec: 210 – Payment of Advance Tax by assess on His Own Account Sec: 211 – Due Dates of Payment of Advance Tax	
	Interest Payable U/S 234A, 234B, 234C	3.3	Interest Payable U/S 234A, 234B, 234C Sec: 234A – Interest for default in furnishing return of income Sec: 234B – Interest for default in payment of advance tax Sec: 234C – Interest for deferment of advance tax	
4	DTAA, Tax Planning, Assessment Procedure	4.1	Double Taxation Avoidance Agreement U/s 90 & 91	10
		4.2	Tax Planning	
		4.3	Tax Avoidance and Tax Evasion	
Total Number of Lectures				60

Note: Relevant Law/Statute/Rules in force and relevant Standards in force on 1st April immediately preceding commencement of Academic Year is applicable for ensuring examination after relevant year.

Course Outcome: By the end of this course the students will be able to,

1. Describe the importance of “interpretation of statute” to understand applicability of provisions.
2. Apply the provisions of Deductions under chapter VI A to calculate Gross taxable income.
3. Apply the provisions for the calculation of net taxable income by applying provisions learned in Sem III and Deductions.
4. Relate the provisions of TDS and advance tax to the calculation of tax liability of individuals.
5. Justify the provisions of Interest payable u/s 234 in case of default.

- Describe the taxability of income concept on the source basis and residential status basis and provisions related to double taxation and tax planning.

Reference Books:

- Direct Taxes Law and Practice: Dr. Vinod Singhania
- Income Tax Law: T.N.Manoharan
- Income Tax Guide: Subhash Lakhota
- Tax Law I: Girish Shukla
- Handbook on Income Tax: CA Raj K Agarwal

Case Studies:

Sr. No.	Case Study
I	<p>Mr. Arihant is new in the manufacturing sector of bath soap and hair shampoo. Three years ago, he started his business as a proprietary concern. Being a fresher in this sector and there is stiff competition in the market, he suffered a loss in the first and second year of his business. In the first year, he suffered a loss of ₹ 7 lakhs and in the second year his loss was ₹ 13 lakhs. In the current third year 2022-23 his turnover (sales) was ₹ 49 lakhs which exceeds the specified limit which makes his books of accounts liable for audit. His taxable profit for the year 2022-23 is ₹ 12 lakhs. He filed his return of income for the second year, but he did not file his return of income for the first year of his business. He thought that if there is no profit, it's not mandatory for him to furnish the return of income. In the third year as he gains some profit, he wants to file the return of income and pay tax. He approached you in the month of March 2023.</p>
II	<p>Mr. Boman Irani is an Indian actor and good friend of yours. He is resident and ordinary resident of India for the PY 2022-23. He was cased in one Hollywood web series. He left India in February 2023. He was having his shooting schedule of 25days in the USA. He completed the shooting there and received the payment of 70000\$ (i.e. ₹ 60 lakh aprox) in USA. Payment was received in USA bank account only. His income was liable to tax in USA on a source basis. His receives the payment after deducting tax at source from the producer. He returned to India in March 2023. Being responsible citizen of India, he furnished his return of Income u/s 139(1). While filing return of income he considered all his receipts in India but did not consider the payment received in USA. He is of opinion that payment received in USA is already taxed and now it's not taxable in India. He received notice from Income tax Department u/s 147. In notice it is mentioned that "Income received in USA is liable to be taxed in India, which has escaped the assessment. Why it should not be attached to the income declared in ROI filed u/s 139(1)? And why penalty should not be charged for escaping the income from assessment?"</p>

BOS	B.Com. Accounting and Finance
Class	S.Y.B.Com. Accounting and Finance
Semester	IV
Course name	Security Analysis and Portfolio Management
Course Code	PUCAF404
Type of Course	Discipline Minor
Course Credit	3
Level of the Course	Medium

Course Objectives:

1. Develop an understanding of the changing domestic and global investment scenario in general and Indian capital market in particular with reference to availability of various financial products and operations of stock exchanges.
2. It aims at providing an in-depth knowledge of the theory and practice of portfolio management

Unit No.	Name of Unit	Topic No.	Name of Topic	Hours
1	Introduction to Investment and portfolio management	1.1	Introduction, Process, Criteria for Investment, Types of Investors, Investment V/s Speculation V/s Gambling, Investment Avenues available in India, Types of Investing.	15
		1.2	Process of Buying and Selling Shares at Stock Exchange, Stock Market Quotations	
		1.3	Portfolio Management: Meaning, Concept, Process Factors affecting Investment Decisions in Portfolio Management and Portfolio Strategy Mix.	
2	Risk and Return Relationship	2.1	Meaning of Risk, Types of Risk- Systematic and Unsystematic risk,	15
		2.2	Measurement of Risk- Beta, Standard Deviation and Variance Reduction of Risk through Diversification	
		2.3	Practical Problems on Calculation of Standard Deviation, Variance and Beta	

3	Security Analysis	3.1	Fundamental Analysis: Economy Analysis – Meaning, Framework, Economic Analysis, Forecasting, and Barometric or Indicator Approach Industry Analysis – Concept of Analysis, Industry Life Cycle, Industry Characteristics	15
		3.2	Company Analysis – Analysis of Financial Statements, (Practical questions on Debt Equity Ratios, Total Debt Ratio, Proprietary ratios, interest coverage ratio, Profitability ratios related to sales, investment and equity shares Efficiency or Activity Ratios) DuPont Analysis.	
		3.3	Technical Analysis: Meaning and Principles of Technical Analysis, Types of Chart used in technical Analysis - Price Chart, Line Chart, Bar Chart, Japanese Candlestick Chart.	
4	Capital Asset Pricing Model, Portfolio Performance Measurement And Bond Valuation	4.1	Capital Asset Pricing Model: Assumptions; Uses of CAPM to buy, sell and hold securities. (Practical Problem)	15
		4.2	Portfolio Performance Measurement: Sharpe's Ratio (Basic Problems), Treynor's Ratio (Basic Problems) and Jensen's Differential Returns (Basic Problems)	
		4.3	Bond Valuation: Meaning, Types and Features of Bond, Measuring Bond Return – Yield to Maturity and Bond Duration (Practical Problem)	
Total No. of Lectures				60

Course Outcomes: By the end of the course the student will be able to,

1. Describe the concept of Portfolio Management, portfolio management process,
2. Outline the concept of Time value of money & Valuing equity and debt instruments.
3. Applying different techniques of analysis on financial statements.
4. Analyze & evaluate technical analysis.
5. Evaluate Bond Return through Yield to Maturity (YTM).
6. Evaluate portfolio performance with the help of Ratios.

Reference books:

1. Security Analysis and Portfolio Management, Prasanna Chandra, Tata McGraw Hill
2. Security Analysis and Portfolio Management, Ravi Kishor, Taxman Publishers
3. Financial Management, Khan & Jain, Tata McGraw Hill

4. Fundamentals of Investment Management, Hirt and Block, Tata McGraw Hill. Ed 2009.
5. Portfolio Management Handbook, Robert A. Strong, Jaico Publishing House, Mumbai
6. Portfolio Management : A Strategic approach, Ginger Levin, John Wyzalek: CRC Press

Case Studies:

Sr. No.	Case Study
I	<p>Mr. Johnson, a 45-year-old investor with moderate risk tolerance, the investment strategy focuses on three key areas: equities, fixed-income, and alternative investments. Investing in growth-oriented stocks presents the opportunity for capital appreciation, historically outperforming other assets. However, equities entail higher volatility and market risk, requiring a patient, long-term approach. Allocating to stable fixed-income securities provides a regular income stream and acts as a hedge during market volatility, although returns may be modest in a low-interest-rate environment. Diversifying into real estate investment trusts (REITs) and commodities enhance the portfolio's risk-adjusted returns, yet alternative investments may lack liquidity and carry specific market risks.</p> <p>The merits and demerits of each investment avenue underscore the need for a balanced approach. Equities offer growth potential but come with volatility, fixed-income provides stability but with modest returns, and alternative investments enhanced diversification but may lack liquidity. To mitigate risks, Mr. Johnson's strategy involves understanding and managing different risk types, including market risk from economic and geopolitical factors, credit risk from potential defaults, liquidity risk from trading challenges, inflation risk affecting purchasing power, interest rate risk impacting fixed-income, and operational risk from internal or external issues.</p> <p>Guiding Mr. Johnson through this investment strategy requires ongoing education about these risks and aligning the approach with his risk tolerance, financial goals, and time horizon. Regular reviews and adjustments will be vital to optimize the portfolio's performance while keeping Mr. Johnson's objectives in focus.</p>
II	<p>In advising Mr. Leo on investment strategies, the goal is to align with his moderate risk tolerance while seeking stable returns with minimum risk exposure. A balanced approach involving various asset classes is recommended. Equities offer substantial growth potential over the long term, but the accompanying volatility and market risk necessitate a patient, enduring perspective. Fixed-income securities, particularly government or highly-rated corporate bonds, provide stability and regular income, acting as a hedge during market volatility. However, returns may be modest, especially in a low-interest-rate environment.</p> <p>To further minimize risk exposure, alternative investments such as Real Estate Investment Trusts (REITs) can be considered. REITs offer exposure to the real estate market, providing a stable income source through dividends. While contributing to portfolio diversification, they may still be sensitive to real estate market conditions and interest rate changes, requiring careful consideration.</p>

Additionally, incorporating dividend-paying stocks can contribute to a steady income stream, particularly from well-established companies with consistent performance. Treasury securities, backed by the government, offer a low-risk option with stability but typically come with lower returns compared to riskier assets.

In summary, a diversified portfolio combining fixed-income securities, dividend-paying stocks, and possibly a portion in low-risk assets like Treasury securities is suggested for stable returns with minimum risk exposure. Regular portfolio reviews and adjustments are essential to ensure alignment with Mr. Leo's financial goals and risk tolerance. Seeking guidance from a financial advisor is recommended to tailor the strategy to specific needs and market conditions.