

**JYOTI NIVAS COLLEGE AUTONOMOUS  
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

**Programme: B.Com.**

**Semester: III**

**CORPORATE ACCOUNTING-1**

**Course Code: 18BC302**

**No. of Hours: 60**

**COURSE OBJECTIVES:**

- To ensure acquisition of theoretical knowledge, sufficient to provide a foundation for Corporate accounting.
- To provide guidance relating to theory methods and application of recent Developments in corporate accounting necessitated by changes in accounting Standards, SEBI Guidelines and companies Act.
- To meet the manifold requirements at different levels of learning.

**LEARNING OUTCOMES:**

- Students can analyze and prepare company financial statements.
- Students can understand, calculate goodwill and find share price value of a company
- Students gain knowledge on redemption of preference shares and debentures

**UNIT 1**

**Underwriting of shares and Debentures**

**10 HRS**

Guidelines under company's Act and SEBI - Meaning and Advantages of underwriting - types of applications - calculation of underwriters' liability - firm underwriting - calculation of underwriting commission (excluding Journal entries)

**UNIT 2**

**Redemption of Preference Shares**

**10 HRS**

Meaning – Legal provisions – treatment regarding premium of redemption – creation of Capital Redemption Reserve – Fresh issue of shares – Arranging for cash balance for the purpose of

redemption – minimum number of shares to be issued for redemption – issue of bonus shares – preparation of balance sheet (vertical form) after redemption.

### **UNIT 3**

#### **Redemption of Debentures**

**10 HRS**

Meaning, Issue, types of redemption (Theory), Accounting treatment for Loss on issue of debentures (Discount on issue/ Premium on redemption), problems relating to sinking fund for redemption of debentures.

### **UNIT 4**

#### **Valuation of goodwill and shares**

**14 HRS**

Meaning- Circumstances of valuation of goodwill – factors influencing the valuation of goodwill – methods of valuation of goodwill – Average profit method – super profit method – capitalization of super profit method – Annuity methods – problems

Valuation of shares

Meaning – need for valuation- factors affecting valuation – methods of valuation – intrinsic value method, yield method, earning capacity method and fair value method.

### **UNIT 5**

#### **Company Final Accounts**

**16 HRS**

Statutory provisions regarding preparation of company final accounts – treatment of special items – tax deducted at source – advance payment of tax – provision for tax – depreciation – interest on debentures – dividends – rules regarding payment of dividend – preparation of Income statement and balance sheet in vertical form

### **SKILL DEVELOPMENT**

- Collect annual report of a company and list out its assets and liability
- Collect information regarding CSR initiatives of any two companies.
- Collection of latest final accounts of a company and find out the intrinsic value of shares

- Collect the annual reports of the companies and calculate the value of Goodwill under different methods.

## **BOOKS FOR REFERENCE**

1. S. P. Jain & K. L. Narang - Advance Accounting, Kalyani Publication- 2013
2. Dr. M. A. Arulanandam & K.S. Raman - Corporate Accounting, Himalaya Publishing House, 2013
3. Dr. B.M Agarwal & Dr. M.P Gupta - Advanced Accounting, SuchitraPrakashan (P) Ltd, Allahabad
4. R L Gupta & M. RadhaSwamy - Corporate Accounts, Theory, Methods & Application, Sulthan Chand & sons, New Delhi, 2014
5. R L Gupta & M. RadhaSwamy - Advanced Accountancy, Sulthan Chand & sons, New Delhi, 2014
6. Jain and Narang, Corporate Accounting, Kalyani Publisher, Ludhiana, 2013.
7. Tulsian, Advanced Accounting, S. Chand & Co, Revised edition 2012
8. M. C Shukia, T.S Grewal, S. C. Gupta - Advanced Accountancy, Sulthan Chand & sons, New Delhi, 2005
9. S. N. Maheshwari & K. N. Maheshwari - Advanced Accountancy, VikasPublicating House Pvt Ltd, Bangalore, 2013
10. Rajashekaran & Lalitha – Corporate Accounting – Pearson, New Delhi, 2011.
11. S. Anil Kumar, V. Rajesh Kumar and B. Mariyappa – Advanced Financial Accounting – Himalaya Publishing House.