

JYOTI NIVAS COLLEGE AUTONOMOUS
Programme: B.COM /INTEGRATED B.COM M.COM/TM/LSCM
ADVANCED CORPORATE ACCOUNTING
Course Code : 24IVAC01

No. of Credits: 4

Semester IV
No. of Hours: 60

COURSE OUTCOMES:

- To know the procedure of Redemption of Preference Shares and Debentures.
- To comprehend the different methods of Amalgamation and Acquisition of Companies.
- To understand the process of internal reconstruction.
- To understand the process of Liquidation of Companies.
- To prepare the liquidators Final statement of accounts

LEARNING OUTCOMES:

- Students can learn the different types of mergers in companies
- Students can prepare the liquidator final statement
- Understand the concept of Redemption.

Unit-1: Redemption of Preference Shares

10 Hours

Meaning – Legal Provisions – Treatment of premium on redemption – creation of Capital Redemption Reserve Account– Fresh issue of shares – Arranging cash balance for the purpose of redemption – minimum number of shares to be issued for redemption – issue of bonus shares – preparation of Balance sheet after redemption (As per Schedule III of Companies Act 2013).

Unit- 2: Redemption of Debentures

12 Hours

Meaning – Types of Debentures – Methods of Redemption of Debentures – Lump sum Method, Instalment Method, Sinking Fund Method, Insurance Policy Method (Problems only on Sinking Fund method of Redemption of Debentures)

Unit-3: Amalgamation and Acquisition of Companies

14 Hours

Meaning of Amalgamation and Acquisition – Types of Amalgamation – Amalgamation in the nature of Merger – Amalgamation in the nature of Purchase - Methods of Calculation of Purchase Consideration (IND AS - 103), Net asset Method - Net Payment Method and Lumpsum method, Accounting for Amalgamation (Problems under purchase method only) –Ledger Accounts in the Books of Transferor Company and Journal Entries in the books of Transferee Company –Preparation of Balance Sheet after Amalgamation and Acquisition. (As per Schedule III of Companies Act 2013)

Unit- 4: Internal Reconstruction of Companies**12 Hours**

Meaning of Capital Reduction; Objectives of Capital Reduction; Provisions for Reduction of Share Capital under Companies Act, 2013. Forms of Reduction. Accounting for Capital Reduction. Problems on passing Journal Entries, preparation of Capital Reduction Account and Balance sheet after reduction (Schedule III to Companies Act 2013).

Unit- 5: Liquidation of Companies**12 Hours**

Meaning of Liquidation, Modes of Winding up – Compulsory Winding up, Voluntary Winding up and winding up subject to Supervision by Court. Order of payments in the event of Liquidation. Liquidator's Statement of Account. Liquidator's remuneration. Problems on preparation of Liquidator's Final Statement of Account.

Skill Development Activities:

- List out legal provisions in respect of Redemption of Preference shares.
- Calculation of Purchase consideration with imaginary figures under Net Asset Method.
- List out legal provisions in respect of internal reconstruction.
- Prepare Liquidator's Final Statement of Account with imaginary figures.

Books for References:

1. Arulanandam & Raman ; Corporate Accounting-II, HPH
2. Dr. Venkataraman. R – Advanced Corporate Accounting
3. RL Gupta, Advanced Accountancy, Sultan Chand
4. Shukla and Grewal – Advanced Accountancy, Sultan Chand
5. Anil Kumar .S, Rajesh Kumar.V and Mariyappa .B, Advanced Corporate Accounting, HPH.
6. S P Iyengar, Advanced Accountancy, Sultan Chand
7. Srinivas Putty - Advanced Corporate Accounting, HPH.

Note: Latest edition of text books maybe used