

**UNDERGRADUATE PROGRAMME IN COMMERCE**

**SEMESTER III**

**PAPER NO - 6: CORPORATE ACCOUNTING**

**Marks: 100 (Theory = 75, Internal Assessment = 25)**

**Objective:** To make the students familiar with corporate accounting procedures.

**Lectures: 48**

**UNIT I: 12 Lectures**

**Accounting for Share Capital and Debentures**

- (i) Issue of shares, Forfeiture and Reissue of Forfeited Shares, Concept of Book-Building, Issue of Bonus Shares, Right Issues, Buy-back of shares.
- (ii) Redemption of Preference shares.
- (iii) Issue and Redemption of Debentures (Conversion method, purchasing own debentures in the open market for cancellation and Sinking Fund Method only).

**UNIT II: 6 Lectures**

**Preparation of Financial Statements of Limited Liability Companies** excluding calculation of managerial remuneration.

**UNIT III: 4 Lectures**

**Valuation of Shares:** Concept of valuation of Shares, Valuation of Shares as per Intrinsic Value Method, Yield Method and Discounted Cash Flow Method.

**UNIT IV: 12 Lectures**

- (i) **Accounting for Amalgamation** of Companies as per AS-14 (excluding Inter-Company holding).
- (ii) **Accounting for Internal Reconstruction** (excluding preparation of scheme of Internal Reconstruction).

**UNIT V: 6 Lectures**

**Cash Flow Statement:** Meaning and usefulness of Cash Flow Statement. Preparation of Cash Flow Statement as per AS-3 (Revised).

**UNIT VI: 8 Lectures**

**Financial Statement Analysis:** Meaning, Objectives and Techniques of analysis of financial statements.

**Ratio Analysis:** Liquidity Ratios, Activity Ratios, Profitability Ratios and Solvency Ratios.

## **READINGS:**

### **Essential Readings:**

1. Monga, J.R., *Fundamentals of Corporate Accounting*, Mayur Paper Backs, New Delhi.

### **Suggested Readings:**

1. Sehgal, Ashok and Deepak Sehgal, *Corporate Accounting*, Taxman Publication, New Delhi.
2. Maheshwari, S.N. and S. K. Maheshwari, *Corporate Accounting*, Vikas Publishing House, New Delhi.

**Note: Latest edition of text book may be used.**