

DSE (Stream)- Accounting and Finance

Corporate Accounting

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Corporate Accounting	4	3	1	0	Pass in Class XII	NIL

Learning Objectives

The course aims to help learners to acquire conceptual knowledge of corporate accounting systems and to learn the techniques of preparing the financial statements of companies.

Learning outcomes

After completion of the course, learners will be able to:

1. Analyse accounting for share capital, debentures, bonus shares, redemption of preference shares and debentures of a company.
2. Prepare financial statements of companies manually as well as using online software.
3. Interpret the Valuation of Intangible Assets and Shares.
4. Describe accounting for Amalgamation and Internal Reconstruction of Companies.
5. Prepare Annual Reports of companies and analyse the voluntary and mandatory information contained in them

Course Contents:

Unit 1: Accounting for Share Capital and Debentures (6 hours)

Types of shares; Accounting for Share Capital, Issue of Rights and Bonus Shares; ESOPs and Buy-Back of shares; Issue and Redemption of preference Shares and Debentures. Underwriting of Shares and Debentures. [In reference to Relevant Accounting Standards (AS and Ind AS) and Guidance Notes as applicable.

Unit 2: Financial Statements of Companies (12 hours)

Preparation of financial statements of corporate entities including one Person Company (excluding calculation of managerial remuneration) as per Division I and II of Schedule III of the Companies Act 2013; Related Parties as per AS-18, Preparation of Statement of Profit and Loss, Balance Sheet, Statement of Equity and Cash flow Statement manually and using appropriate software. Interpreting the ratios calculated as per Schedule III of the Companies Act 2013 [with reference to Relevant Accounting Standards (AS and Ind AS) and the relevant provisions of The Companies Act,2013, as applicable.]. Calculation of EPS as per AS 20.

Unit 3: Valuation of Intangible Assets and Shares (9 hours)

Valuation of Intangible Assets and Shares. Value Added Statement, Economic Value Added, Market Value Added, And Shareholder Value Added.

Unit 4: Amalgamation of Companies and Internal Reconstruction and Corporate Financial Reporting (18 hours)**(A) Amalgamation of Companies and Internal Reconstruction (9 hours)**

Accounting for Amalgamation of Companies (excluding inter-company holdings) applying AS 14/Ind AS 103. Accounting for Different forms of Internal Reconstruction (excluding drafting of Internal Reconstruction Scheme).

(B) Corporate Financial Reporting (9 hours)

Meaning, need and objectives; Constituents of Annual Report and how it is different from financial statements; Contents of report of the Board of Directors; XBRL Reporting. Drafting of Notes to Accounts. Segment Reporting as per AS-17, Sustainability Reporting, Triple Bottom Line Reporting, CSR Reporting.

Notes:

- (1) The relevant Accounting Standards (both AS & Ind AS) for all of the above topics should be covered.
- (2) Any revision of the relevant Indian Accounting Standards/Accounting Standards would become applicable.
- (3) The relevant provisions of The Companies Act, 2013, as applicable for all of the above topics should be covered.

Practical Exercises

The learners are required to:

1. Collect prospectus issued by reputed companies, and examine the matters related to issue of shares.
2. Prepare financial statements of companies manually as well as using appropriate software.
3. Examine the annual reports of business organisations to find out whether applicable accounting standards (AS and Ind AS) are complied with or not.
4. Value Intangible Assets and Shares of a company.
5. Collect information from business newspapers, periodicals, print and digital media on the amalgamation of companies and prepare a report.
6. Download annual reports of reputed companies from the websites and analyse the voluntary and mandatory information contained in these statements
7. Download and analyse notes on accounts from the annual reports of reputed companies from the websites.

Suggested Readings

- Bergeron, B. (2003). Essentials of XBRL: Financial Reporting in the 21st Century. (1* Ed.). New Jersey: John Wiley & Sons.
- Dam, B. B., & Gautam, H. C. (2020). Corporate Accounting. (2nd Ed.). Guwahati: Gayatri Publications.
- Goyal, B. K. (2021). Corporate Accounting. (7th Ed.). New Delhi: Taxmann Publication.
- Goyal, V. K., & Goyal, R. (2012). Corporate Accounting. (3rd Ed.). New Delhi: PHI Learning
- Jain, S. P., & Narang, K. L. (2015). Corporate Accounting. New Delhi: Kalyani Publishers.
- Kumar, A. (2021). Corporate Accounting. (7th Ed.). New Delhi: Singhal Publications.
- Maheshwari, S. N., Maheshwari, S. K., & Maheshwari, S. K. (2018). Corporate Accounting. (6th Ed.). New Delhi: Vikas Publishing House.

- Monga, J. R., & Bahadur, R. (2022). Fundamentals of Corporate Accounting. (27th Ed.). New Delhi: Scholar Tech Press.
- Mukherjee, A., & Hanif, M. (2017). Corporate Accounting. (2nd Ed.). New Delhi: Tata McGraw Hill Education.
- Mukherjee, S., & Mukherjee, A. (2019). Corporate Accounting. (13t Ed.). New Delhi: Oxford University Press.
- Sah, R. K. (2019). Concept Building Approach to Corporate Accounting. (2nd Ed.). Cengage.
- Sehgal, A. (2012). Fundamentals of Corporate Accounting. (3rd Ed.). New Delhi: Taxmann Publication.
- Shukla, M. C., Grewal, T. S., & Gupta, S. C. (2016). Advanced Accounts. Vol.-II. (19th Ed.). New Delhi: S. Chand Publishing.
- Tulsian, P. C., & Tulsian, B. (2008). Corporate Accounting. (Rev. Ed.). New Delhi: S. Chand Publishing.

Additional Resources

- Accounting Standards at the Website of the Institute of Chartered Accountants of India
- Indian Accounting Standards at the Website of the Ministry of Corporate Affairs.
- The Companies Act, 2013 as amended from time to time.

Note: Suggested readings will be updated by the Department of Commerce and uploaded on the Department's website.