



Autonomous (2016-17)

Malad Kandivli Education Society's

NAGINDAS KHANDWALA COLLEGE

OF COMMERCE, ARTS & MANAGEMENT STUDIES

AND SHANTABEN NAGINDAS KHANDWALA COLLEGE OF SCIENCE

(Re-accredited (3rd cycle) by NAAC with 'A' Grade)

ISO 9001 : 2015 Certified

Educational Excellence Award By Indus Foundation, U.S.A.

IMC Ramkrishna Bajaj National Quality Commendation Certificate

New Courses introduced

2017-18 to 2020-21

DR. (MRS.) ANCY JOSE
PRINCIPAL



NAME OF THE PROGRAMME: BACHELOR OF COMMERCE (FINANCIAL MARKETS)

Accounting in Corporate Environment
Modules at a Glance

Sr. No.	Modules	No. of Lectures
1	Issue & Forfeiture of Shares	15
2	Redemption of Preference Shares & Buy Back of Equity Shares	15
3	Issue of Debentures & It's Redemption	15
4	Preparation of Company Financial Statements	15
	Total	60



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Objectives:

1. To enhance the understanding of conceptual knowledge of corporate accounting and to impart skills for calculating value of shares.
2. To understand Indian Accounting Standards.
3. To orient learners towards understanding the computerization of accounting.

Course Outcomes:

After completion of this course the learner will be able to:

CO1: Get Acquainted with concept of company accounts and Understand the meaning of shares and other securities that can be issued by companies and laws relating to their redemption and buy back. (Level: Understanding)

CO2: Valuation of goodwill with the help of different methods used at the time of sale of business or at the time of change in constitution of partnership firm during admission/ retirement or death. (Level: Apply)

CO3: Analyse case studies related to buy back of equity shares, redemption of debentures and preference shares. (Level: Analyse)

CO4: Apply the knowledge of valuation of shares and calculate value through Intrinsic Value Method, Yield method and Fair Value Method. (Level: Create)



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Accounting in Corporate Environment

Modules / Units

1. Issue & Forfeiture of Shares

Issue & Forfeiture of Shares – Introduction, Types of Companies, Types of Shares, SEBI Guidelines on issue of shares including concepts of Book Building & Dematerialization of shares, Accounting of issue of shares including issue of Bonus Shares, Right Shares, issue of shares for non-cash consideration, issue of sweat equity shares, Employee Stock Option Scheme (ESOS), Forfeiture of shares & Reissue of shares.

Underwriting of shares & Debentures: Meaning, Sub underwriters, Underwriting commission, Marked Applications, Calculation of liability of underwriters.

2. Redemption of Preference Shares & Buy Back of Equity Shares

(i) Redemption of Preference Shares-

Introduction, Redemption of Preference Shares, Accounting treatment, Calculation of minimum fresh issue of shares to comply with section 80 of the Act, Minimum fresh issue to provide funds for redemption, Partly called up preference shares and redemption of preference shares, Fully called up but partly paid up preference shares & its redemption.

(ii) Buy Back of Equity Shares –

Company Law and Legal Provision (Including related restrictions, Power, Transfer to Capital Redemption Reserve Account & prohibitions), Compliance of conditions including sources, minimum limits & Debt equity Ratio



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3. Issue of Debentures & It's Redemption

Introduction, Meaning & Types of Debentures, Difference between Shares & Debentures, Accounting for issue of Debentures, Treatment of Discount on issue of debentures, Interest on debentures, Meaning of Redemption of Debentures, Sources of Redemption, Various methods of redemption including redemption by conversion.

4. Preparation of Company Financial Statements

- Relevant provision of Companies Act related Final Account (Excluding Cash Flow Statement)
- Preparation of Income Statement & Balance Sheet as per revised schedule VI of Companies Act, 1956.
- AS 1 in relation to Final Accounts of Companies (Disclosure of Accounting Policies)



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Reference Books

Accounting in Corporate Environment

- *Introduction to Accountancy* by T.S. Grewal, S. Chand and Company (P) Ltd., New Delhi
- *Advance Accounts* by Shukla and Grewal, S. Chand and Company (P) Ltd., New Delhi
- *Advanced Accountancy* by R.L Gupta and M. Radhaswamy, S. Chand and Company (P) Ltd., New Delhi
- *Modern Accountancy* by Mukherjee and Hanif, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- *Financial Accounting* by Lesile Chandwichk, Pentice Hall of India Adin Bakley (P) Ltd., New Delhi
- *Financial Accounting – A dynamic Approach* by Birendra Krishna Banerjee, Pentice Hall of India Adin Bakley (P) Ltd., New Delhi
- *Financial Accounting for Management* by Dr. Dinesh Harsalekar, Multi-Tech. Publishing Co. Ltd., Mumbai
- *Financial Accounting* by P.C. Tulsian, Pearson Publications, New Delhi
- *Corporate Accounting* by P.C. Tulsian, Tata Mc. Grow Hill and Co. Ltd., New Delhi
- *Financial Accounting & Auditing Paper III* by Minaxi. A Rachchh, Pearson Publications, New Delhi
- *Accounting Principles* by R.N. Anthony and J.S. Reece, Richard Irwin, Inc
- *Financial Accounting* by Monga, J.R. Ahuja, Girish Ahuja and Ashok Shehgal, Mayur Paper Back, Noida
- *Financial Accounting* by Williams, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- *Financial Accounting* by V. Rajasekaran, Pearson Publications, New Delhi
- *Introduction to Financial Accounting* by Horngren, Pearson Publications, New Delhi
- *Financial Accounting* by M. Mukherjee and M. Hanif, Tata McGraw Hill Education Pvt. Ltd., New Delhi
- *Financial Accounting a Managerial Perspective*, Varadraj B. Bapat, Mehul Raithatha, Tata McGraw Hill Education Pvt. Ltd., New Delhi



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