

CC: 301: Corporate Accounting-II (Core Course)

Theory: Credit: 4 (100 %)

Total Marks: 100

UNIT	Topics Covered	Wt.
I	<p>Redemption of Redeemable Preference Shares Theory: Meaning, Procedure, Accounting Entries, Balance Sheet after Redemption. Examples: - Redemption of preference shares (Partly paid and Fully paid)</p>	15 %
II	<p>Issue and Redemption of debentures Theory: Meaning, Types of debentures, Procedure on issue of debentures, Methods of redemption of debentures, Sinking fund or debenture, redemption fund Examples: - Debentures issue at par, at discount and at premium - Methods of redeeming debentures: (i) Repayment on a specific date (sinking fund method only) (ii) Buy back method</p>	20%
III	<p>Companies Final Account (vertical form of balance sheet and profit and loss account) Examples: Examples in the vertical form of Profit and loss A/c and Balance Sheet as per the provisions of Schedule VI to the Indian Companies Act, 1956 (excluding computation of managerial, remuneration, disposal of profit and pre incorporation profit.)</p>	25%
IV	<p>Financial Statement Analysis (Ratio Analysis) Theory: Financial Statements Analysis: Meaning and objectives, Characteristics and limitations, Techniques of Analysis (Methods) Ratio Analysis: Meaning and Advantages, Methods and purpose of analysis, Advantages and limitations, Liquidity Ratios, Solvency Ratios, Profitability Ratios related to sales, Profitability Ratios related to investments, Activity Ratios. Examples: - Liquidity Ratios: Current Ratio, liquid Ratio, Acid Test Ratio. - Solvency Ratios: Debt-equity Ratio, Capital gearing Ratio, Interest Coverage Ratio, proprietary ratio. - Profitability Ratios related to sales: Gross profit Ratio, Net Profit Ratio, Operating profit ratio Expense Ratio.</p>	20%

	<ul style="list-style-type: none"> - Profitability Ratios related to investments: Return on total assets (ROTA), Return on investment (ROI), Return on equity (ROE), Return on equity shareholders fund, EPS, DPS and PE ratio. - Activity Ratios: Stock turnover Ratio and Debtors Ratio, Creditors ratio. 	
V.	<p>Valuation of Goodwill and Shares</p> <p>Theory:</p> <p>Valuation of goodwill (10%)</p> <ul style="list-style-type: none"> - Meaning - Factors affecting value of goodwill - Need of valuation of goodwill - Super profit and simple profit method <p>Valuation of shares: (10%)</p> <ul style="list-style-type: none"> - Meaning - Need of valuation of shares - Factors affecting valuation of shares - Intrinsic value or asset backing method and yield valuation method - Fair value method (theory only) <p>Examples:</p> <ul style="list-style-type: none"> - Valuation of goodwill by Super profit and Simple profit methods - Valuation of shares by Intrinsic value and yield valuation methods 	20%

Reference Books:

1. *Gupta R.L. and Radhaswamy M., Advanced Accountancy, Vol.-II, Sultan Chand & Sons, New Delhi.*
2. *Gupta R.L., and Radhaswamy M, Corporate Accounting, Sultan Chand and Sons, New Delhi.*
3. *Jain S.P. and Narang K.L., Advanced Accounting, Kalyani Publishers, New Delhi.*
4. *Maheshwari S.N., and Maheshwari S.K., Corporate Accounting, Vikas Publication, New Delhi.*
5. *Mukherjee and Hanif, Corporate Accounting-II, Tata McGraw Hill, New Delhi.*
6. *Rathnam P.V., Hanumantha Raju D., Rathnam's company accounts (theory, problems & solution), Himalaya Publishing house, Mumba*

