



## Bachelor of Business Administration Information System Management BBA (ISM) Semester – II

|                                    |                    |                            |                             |
|------------------------------------|--------------------|----------------------------|-----------------------------|
| <b>Course Code</b>                 | <b>UB02IDBBI03</b> | <b>Title of the Course</b> | <b>Corporate Accounting</b> |
| <b>Total Credits of the Course</b> | <b>4</b>           | <b>Hours per Week</b>      | <b>4</b>                    |

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| <b>Course Objectives:</b> | <ol style="list-style-type: none"> <li>To enable students to understand and interpret financial statements using various accounting ratios.</li> <li>To equip students with knowledge of fund flow and cash flow analysis for evaluating a firm's financial health.</li> <li>To enhance decision-making skills based on financial analysis and reporting.</li> <li>To familiarize students with the preparation of final accounts of companies as per the Companies Act, 2013.</li> <li>To develop the ability to value goodwill and shares using standard accounting methods.</li> </ol> |
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| <b>Course Content</b> |  |                        |
|-----------------------|--|------------------------|
| <b>Unit</b>           | <b>Description</b>   | <b>Weightage * (%)</b> |
| 1.                    | <b>Ratio Analysis (Theory and Examples)</b> <ul style="list-style-type: none"> <li>Meaning of Accounting Ratio</li> <li>Utility &amp; limitations of Ratio Analysis</li> <li>Classification of Accounting Ratios</li> <li>Liquidity Ratios- Current ratio, Liquid ratio, Quick ratio</li> <li>Profitability Ratios- Gross Profit ratio, Net Profit ratio, operating ratio, Return on capital employed, Return on Shareholders' funds</li> <li>Turnover Ratios- Stock turnover ratio, Fixed assets turnover ratio, Debtors turnover Ratio, Creditors turnover ratio</li> <li>Leverage Ratios- Debt equity ratio, Proprietary Ratio Long term funds to fixed assets ratio</li> <li>Examples based on maximum two years data with interpretation</li> </ul> | 20%                    |

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| 2. | <b>Redemption of Preference Shares and Issue Bonus Shares:</b> <ul style="list-style-type: none"> <li>• Redemption of Preference shares: Procedure Provision of Companies Act.</li> <li>• Accounting entries, Balance Sheet after Redemption of Preference Shares.</li> <li>• Issue of Bonus Shares: Guidelines, Sources, Accounting Entries.</li> <li>• Combined Examples of Redemption of Preference shares and Issue of Bonus Shares (Excluding quantum Bonus)</li> </ul> | 20% |
| 3. | <b>Issue and redemption of Debentures</b> <ul style="list-style-type: none"> <li>• Examples based on accounting entries of issue and redemption of debenture.</li> <li>• Writing off debenture discount</li> <li>• Redemption of Debentures (Including purchase of own debenture and conversion of debenture into shares)</li> <li>• Debenture Redemption Fund Method</li> </ul>   | 20% |
| 4. | <b>Company Final Accounts:</b> <ul style="list-style-type: none"> <li>• Pro-forma of Statement of Profit and Loss and Balance Sheet with necessary notes</li> <li>• Vertical presentation of accounting with notes as per revised schedule III, as per Amendments of Companies Act-2013.</li> </ul>  | 20% |
| 5. | <b>Valuation of Goodwill and Shares</b> <ul style="list-style-type: none"> <li>• Goodwill: Average Profit Method, Super Profit Method, Capitalization of Average/ Super Profit Method</li> <li>• Shares: Net Asset Value Method, Yield Method, Fair Value Method</li> </ul>  | 20% |

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| <b>Teaching-Learning Methodology</b> | <ul style="list-style-type: none"> <li>➤ White Board</li> <li>➤ Presentation</li> <li>➤ Video</li> </ul> |
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### Internal and / or External Examination Evaluation

| Sr. No.                                 | Details of the Evaluation / Exam Pattern | 50 Marks (%)     | 25 Marks (%)     |
|---|--|------------------|------------------|
| 1                                       | Class Test (at least one)                | 15 (30%)         | 10 (40%)         |
| 2                                       | Quiz (at least one)                      | 15 (30%)         | 05 (20%)         |
| 3                                       | Active Learning                          | 05 (10%)         | ----             |
| 4                                       | Home Assignment                          | 05 (10%)         | 05 (20%)         |
| 5                                       | Class Assignment                         | 05 (10%)         | ----             |
| 6                                       | Attendance                               | 05 (10%)         | 05 (20%)         |
| <b>Total Internal (%)</b>               |  | <b>50 (100%)</b> | <b>25 (100%)</b> |
| <b>College External Examination (%)</b> |  | <b>50 (100%)</b> | <b>25 (100%)</b> |

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| <b>Course Outcomes:</b> Having completed this course, the learner will be able to |  |
| 1.  | Analyze financial performance using liquidity, profitability, turnover, and leverage ratios.           |
| 2.  | Prepare fund flow and cash flow statements as per standard accounting practices.                       |
| 3.  | Prepare final accounts of companies in compliance with Schedule III of the Companies Act, 2013.        |
| 4.  | Apply appropriate methods to calculate the value of goodwill and shares for financial decision-making. |

| <b>Suggested References:</b>   |   |
|--|---|
| <b>Sr.No.</b>  | <b>References</b>   |
| 1.   | Sehgal Ashok And Sehgal Deepak, “ <i>Advanced Accounting 2</i> ”                        |
| 2.   | Shukla M C And Grawal T S, “ <i>Advanced Accounts</i> ”                                 |
| 3.   | Gupta R L, “ <i>Problems And Solution In Adv Accounting</i> ”                           |
| 4.   | Gupta R L And Radhaswamy M “ <i>Company Accounts</i> ”                                  |
| 5.   | Rathman P V And Raju D R “ <i>Rathmans Company Accounts Theory Prob. And Solution</i> ” |
| <b>Digital Resources</b>   |   |
| 1. <a href="https://ncert.nic.in/textbook/pdf/leac204.pdf">https://ncert.nic.in/textbook/pdf/leac204.pdf</a>   |   |
| 2. <a href="https://old.mu.ac.in/wp-content/uploads/2017/01/FINANCIAL-STATEMENT-ANALYSIS.pdf">https://old.mu.ac.in/wp-content/uploads/2017/01/FINANCIAL-STATEMENT-ANALYSIS.pdf</a>   |   |
| 3. <a href="https://ncert.nic.in/textbook/pdf/leac205.pdf">https://ncert.nic.in/textbook/pdf/leac205.pdf</a>   |   |
| 4. <a href="http://www.iimchyderabad.com/econtent/RATIO%20ANALYSIS%20SOLVED%20PROBLEMS.pdf">http://www.iimchyderabad.com/econtent/RATIO%20ANALYSIS%20SOLVED%20PROBLEMS.pdf</a>   |   |
| 5. <a href="https://www.iimchyderabad.com/econtent/RATIO%20ANALYSIS%20SOLVED%20PROBLEMS.pdf">https://www.iimchyderabad.com/econtent/RATIO%20ANALYSIS%20SOLVED%20PROBLEMS.pdf</a>   |   |
| 6. <a href="http://newhorizon-nhcollegkasturinagar.s3.ap-south-1.amazonaws.com/nhc_kasturinagar/wp-content/uploads/2020/06/12115754/balance_sheet_company.pdf">http://newhorizon-nhcollegkasturinagar.s3.ap-south-1.amazonaws.com/nhc_kasturinagar/wp-content/uploads/2020/06/12115754/balance_sheet_company.pdf</a> |   |



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