

SVKM's Narsee Monjee College of Commerce & Economics

Programme: B. Com. (Economics)				Semester: IV				
Course: Financial Accounting II A.Y. 2023-2024 Batch (2022-2025)				Code: NMUBCOME401				
Suggested Lectures per week				04				
Teaching Scheme				Evaluation Scheme				
Lecture	Practical	Tutorial	Credits	Theory				
				Internal 25 Marks		External 75 Marks		
60	Nil	Nil	04					
Internal Component								
Class Test (Duration 20 Minutes)			Projects / Assignments		Class Participation			
10 Marks			15 Marks		NIL			
Learning Objectives: <ul style="list-style-type: none">To understand different types of companies and modes of issue of sharesTo learn how preference shares are redeemedTo learn the compliance requirements and accounting treatment for buyback of own sharesTo illustrate how financial statements are prepared as per Schedule III under ASTo learn the accounting treatment in case of amalgamation of companies								
Learning Outcomes: After the successful completion of Semester, a learner shall be able to: <ul style="list-style-type: none">Identify different types of companiesApply accounting treatment in case of issue of share capitalApply accounting treatment in case of redemption of preference sharesUnderstand the compliance requirements of buying back of own sharesApplying accounting treatment in case of buyback of sharesPrepare final accounts of a company as per Schedule III under ASIdentify amalgamation in the nature of purchase and merger, calculate purchase consideration and give necessary accounting treatment in the books of vendor company and purchasing company in case of amalgamation in the nature of purchase								
Pedagogy: <ul style="list-style-type: none">Theoretical foundations and conceptual knowledge shall be imparted through lectures and discussions.Practical sums shall be solved in the classroom								
Program	Course	Semester	Total no. of Lectures	Tutorials	Total L+ T	Scheme of Exam Sem End	Internal	No. of Credits
B.Com. (Eco)	FA I	III	60	00	60	75	25	04

B.Co. (Eco)	FA II	IV	60	00	60	75	25	04
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Module	Module Content	Module Wise Pedagogy Used	Module Wise Duration	Module Wise Reference Books
I	<u>Introduction to Company Accounts</u> <ul style="list-style-type: none"> • Meaning of Company • Types of Company (Limited, Unlimited, Subsidiary, Holding, Associate, OPC, Government Company etc.) • Meaning and types of Share • Modes of issue of share capital (Theory on ESOP, Right, Bonus, Sweat, Private placement, Preferential Allotment, Issue for non-cash consideration) • Accounting treatment in case of Forfeiture and Reissue of shares • Accounting treatment in case of issue of shares for non-cash consideration and Bonus issue 	Explaining provisions with small illustrations	10	i)Shukla-Grewal ii) R L Gupta iii) Hanif Mukharjee
II	<u>Redemption Of Preference Shares</u> <ul style="list-style-type: none"> • Legal Provision • Divisible and Non divisible Profit • Redemption Fully out of Profits • Redemption Fully out of New Issue • Redemption Partly out of Profits and New Issue • Accounting treatment of Redemption of preference shares 	Solving problems	4	i)Shukla-Grewal ii) R L Gupta iii) Hanif Mukharjee
III	<u>Buyback of Equity Shares</u> <ul style="list-style-type: none"> • Meaning • Objectives • Benefits • Buy-Back of Shares Vs. Redemption of Preference • Legal Provisions • Accounting treatment of Buyback of Equity shares 	Solving problems	18	i)Shukla-Grewal ii) R L Gupta iii) Hanif Mukharjee
IV	<u>Company Final Accounts as per AS</u> <ul style="list-style-type: none"> • Schedule III • Part I - Form of Balance Sheet • General Instructions for Preparation of Balance Sheet • Part II - Form of Statement of Profit and Loss • General Instructions for Preparation of Statement of Profit and Loss 	Solving problems	15	i)Shukla-Grewal ii) R L Gupta iii) Hanif Mukharjee

	<ul style="list-style-type: none"> • Guidance notes by ICAI • Format for Preparing Notes to Accounts • Adjustments • Provision For Income Tax • Income Tax Payments • Year-End Adjustments • Tax Due on Assessment • Prior Period Expenses or Incomes • Annual / Final Dividends • Interim Dividends • Unpaid and Unclaimed Dividends • Transfer to Reserves • Managerial Remuneration • Calls-in-Arrear • Forfeited Share Account • Interest on Debentures • Suspense Accounts • Preparation of Final Accounts as per Schedule III 			
V	<p><u>Amalgamation of Companies</u></p> <ul style="list-style-type: none"> • In the nature of merger and purchase with corresponding accounting treatments of pooling of interest and Purchase method respectively • Meaning and Computation of Purchase Consideration • Problems based on Purchase method only. 	Solving problems	13	i) Shukla-Grewal ii) R L Gupta iii) Hanif Mukharjee

Reference Books:

Title	Author(s)	Publisher
Advance Accounts, Volume 1 & 2	Shukla-Grewal	Sultanchand & Sons
Financial Accounting	R L Gupta & M.Radhaswamy	Sultanchand & Sons
Financial Accounting	Hanif Mukharjee	Tata McGraw-Hill Education

Any other information:

Note: Latest edition of text book may be used.

Evaluation Pattern

The performance of the learner will be evaluated in two components. The first component will be a Continuous Assessment with a weightage of 25% of total marks per course. The second component will be a Semester end Examination with a weightage of 75% of the total marks per course. The allocation of marks for the Continuous Assessment and Semester end Examinations is as shown below:

Details of Continuous Assessment (CA): 25% of the total marks per course:

Continuous Assessment	Details	Marks
Component 1 (CA-1)	Assignment	15 marks
Component 2 (CA-2)	Class test	10 marks

Details of Semester End Examination: 75% of the total marks per course. Duration of examination will be two and half hours.

Question Number	Description	Marks	Total Marks
1	Compulsory question	15	15
2, 3, 4, 5,6	Questions (opt any 4 out of 5) (15 marks each)	60	60
Total Marks			75

Note: 15 marks questions can sub-divided as per the length/level of difficulty of the question

