



C. U. SHAH UNIVERSITY, Wadhwan City



Faculty of: Commerce

Bachelor of Commerce

SEMESTER: Sem - V

CODE: 4CO05AFI1

Name: Accounting and Finance V

Teaching & Evaluation Scheme

Teaching Scheme(Hours)				Evaluation Scheme(Marks)		
Theory	Tutorial	Practical	Total	Sessional	University	Total
4	0	0	4	30	70	100

Objective: To equip the students with the principles and practices of Accounting and Finance in the concerned field.

Prerequisite: Required Basic Knowledge of Financial and Accounting Fundamental Concepts

Course outline

Sr. No.	Course Contents	Number of Hours
1	<p>ACCOUNTS OF ELECTRICITY COMPANY (DOUBLE ACCOUNT SYSTEM)</p> <ul style="list-style-type: none"> • Introduction - Meaning & characteristics • Brief idea of Acts for regulation of electricity company accounts (Indian electricity act-1910, Electricity supply act –1948, Indian Electricity Rules, 1956 and on wards) • Difference between single account system and double account system • Preparation of final accounts under double account system <p>- Revenue accounts - Net Revenue accounts</p> <p>- Capital Receipts & Expenditure accounts - General Balance sheet</p> <p>Brief knowledge and notice about Accounting statements prepared and presented by State govt. under Indian Electricity Rules, 1956 (PRACTICAL QUESTIONS NOT INCLUDED)</p> <p>-Important provisions under the Indian electricity act-1910 for Repairs and renewals, Depreciation, Replacement and additions to fixed assets</p> <p>-Clear profits, Reasonable return, and Disposal of surplus as per Electricity supply act –1948 - (with practical calculation)</p>	10
2	<p>INVESTMENTS ACCOUNTS [As per Indian tradition only]</p> <p>-Introduction & Meaning</p> <p>-Specific terminology , concepts and methods relate to investments (Clarification for calculation of INTEREST i.e., in India an interest of past is calculated, from the date of payment of interest to the date of</p>	05



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	<p>transaction and BROKERAGE is to be calculated on market value) -Journal Entries and Ledger Accounts for investment transactions -Practical problems.</p>	
3	<p>ACCOUNTS OF FIRE CLAIMS -Introduction-meaning -Claims for loss of stock - meaning and calculation of, - Average clause - Gross profit rate - Normal and abnormal goods' stock - Practical problems of Claims for loss of stock - Consequential loss policy (Claims for loss of profit) - Meaning and explanation of important terminology - Practical problems of Consequential loss policy (Claims for loss of stock) - Journal entries</p>	10
4	<p>OPERATING AND FINANCIAL LEVERAGE - Introduction-meaning-advantages and limitations of leverage - Types of leverage (Operating-Financial-Combined) - Operating leverage- meanings and practical calculations - Financial leverage- meanings and practical calculations - Impact of Financial leverage and share holders' risk - Combined leverage- meanings and practical calculations - Difference between Operating leverage and Financial leverage - Earning Per Share (EPS)- meanings and simple practical calculations</p>	10
5	<p>THEORIES OF DIVIDEND</p> <ul style="list-style-type: none"> • Introduction • Earnings and its' measurement • Net profit and its' management • Dividend –meaning types • Nature of dividend distribution decision • Dividend distribution – Problems • Dividend policy • (A) Fixed Dividend policy <ul style="list-style-type: none"> -Fixed with incremental Dividend policy -Sequential incremental Dividend policy -Cash-stock mix Dividend policy -residual surplus Dividend policy (B) Flexible Dividend policy <ul style="list-style-type: none"> • Constraints on Paying Dividends • Theories on dividend policies and share valuation <ul style="list-style-type: none"> -Modigliani miller theory (MM Approach) -Walter's theory(model) -Gordon's theory (model) • Factors affecting Dividend policy 	10
Total Hours		45



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Teaching & Learning Methodology

- (A) Lectures
- (B) Case Studies
- (C) Class Participation

Books Recommended

1. Advanced Accounts by M.C. Shukla and T.S. Grewal (Sultan Chand & Sons, Delhi)
2. Financial Accounting. By Narayan Swamy (Prentice Hall India, New Delhi)
3. Advanced Accounting by Dr. B.M. Agrawal and Dr. M.P. Gupta
4. Modern Accounting by Amitabha Mukherjee and Mohammed Hanif
5. Principles and Practice of Accounting.- by Gupta and Gupta (Sultan Chand & Sons, Delhi)
6. Financial Accounting-by P.C. Tulsian (Tata McGraw Hill Publishing Co., New Delhi)
7. Accountancy (Self Tutor) by Dr. R.K. Sharma and Dr. R.S. Popli
8. Financial Management by I.M. Pandey (Vikas Publishing House, New Delhi)
9. Working Capital Management by Bhattacharya, Hrishikesh (Prentice Hall India, New Delhi)
10. Financial Management by M.Y. Khan and P.K. Jain (Tata McGraw Hill Publishing Co., New Delhi)

E-Resources

<http://www.library.yorku.ca/web/bbl/collections/businessonline/>