



BOOK REVIEWS

CORPORATE ACCOUNTING

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21st century corporate world is not restricted to single business and national boundaries. The organizations need to have a global perspective to grow and expand. For growing at a better pace organizations are expanding their horizons across the borders. With increasing size of the organizations the role of financial executives has also amplified as they have to venture into new areas in order to increase the worth of their organizations. Corporate Accounting helps financial executives to make informed decisions and judgments. With growing importance of corporate accounting in the international arena, the book on Corporate Accounting authored by Dr. S.N.Maheshwari and Dr. S.K.Maheshwari provides an in-depth understanding and knowledge about the subject. The book covers all the requirements of students pursuing M.Com, MBA, CA, CS and other professional examinations. The text matter is accompanied with adequate illustrated material which makes the study of corporate accounting lucid and self explanatory. The book inter-alia follows examination oriented approach. With all the changes, several additions and adaptations, the readers will find the revised edition of the book all the more useful and rewarding.

The subject matter in some of the chapters has been considerably strengthened and updated and covers large spectrum of corporate accounting. The accounting concepts and procedures are being constantly reviewed and revised. The book ensures that the changes are synchronized and harmonized with related laws, revised rules and regulations pertinent to topics covered.

The book by including new and innovative concepts of accounts like Equity Index Options, Stock Options, Valuation of Assets, Corporate Environment Reporting and Accounting at micro and macro level, Brand Accounting Concepts, Lean Accounting, Forensic Accounting has provided an insight into areas which hitherto were ignored by most of the

corporates.

The book on Corporate Accounting deals with fundamental principles of accounting for corporate entities. It comprises of three sections. Each section has been divided into number of convenient and independent chapters dealing comprehensively with text and illustrative material for better and concise comprehension of users. All sections have apart from mandatory changes, incorporated questions, trends adopted by institutions conducting professional and non-professional examination. SECTION ONE emphasizes on Company Accounts which is explained with the help of twelve chapters. The topics like Issue and Redemption of Shares and Debentures have been explained with complete clarity and simplicity of exposition. The provisions relating to corporate governance and transactions for which company must maintain proper books of account has been dealt comprehensively in the chapter on Company's Statutory Records. It also states the basic features of Accounting Standards 4, 5, 15, 17, 18 and 29. In the chapter on Valuation of Goodwill and Shares the reader shall identify the factors affecting the value of goodwill and shares and appreciate the need for it.

In the era of consolidation of businesses, deeper understanding of mergers, acquisition and reconstruction is essential for the entrepreneurs, students and practioners. The authors have elucidated the entire process in a very simple and systematic manner. With increasing uncertainty of financial market, investors want to diversify their risk by investing in alternative financial instruments. This has been explained in the chapter on Accounting of Financial Instruments by the authors in very lucid manner. The authors have dealt with each and every conceivable problem on accounting for users from all walks of life and thereby have enriched and strengthened their hold on the subject by including financial reporting requirements of mutual funds, NBFC's,

merchant bankers and stock brokers.

SECTION TWO of the book explains the preparations of final accounts relating to certain specific types of companies such as electricity, banking and insurance companies. The relevant and updated regulations, modes of disclosure of accounting policies adopted by the various organizations have also been included in this section. The procedure for preparing the accounts of electricity companies has been explained in a very simple manner. The accounts of holding companies has been comprehensively dealt in this section. It brings about the implications of the basic features of AS-21 and therefore helps the reader to understand the tedious process of consolidation.

The THIRD and the last section of the book deals with the growing and challenging branch of accounting i.e. Management Accounting. The initial chapters deal with interpretation and analysis of financial statements. They explain the nature of funds flow statement, its meaning uses and preparation which aid the students, investors, advisors and top management in digging out hidden information. The chapter on Cash Flow Statement explains cash from investing, operating and financing activities along with reporting requirements for better management of funds. By explaining the methods of accounting for revalued fixed assets the authors have added new dimension to the concept of true valuation.

With the ever increasing size of the organizations management of human resource has become imperative. The authors have elucidated the concept of human resource accounting

exhaustively in this section. Social Cost Benefit Analysis has emerged as a pertinent aspect in accounting and is recognized internationally. The planning commission has decided that the future feasibility studies for public sector projects will include an analysis of social rate of return. The awareness as well as understanding of the concept of social benefit analysis has not only become imperative but has been well explained in the book. The authors have specifically dealt with recent developments and accounting such as Economic Value Added (EVA), Environment Accounting both at corporate and national level, Brand Accounting, Lean Accounting, Forensic Accounting- all new in India but prevalent in advanced nations.

The book has accomplished well its due sense of appreciation apart from a lot of fine tuning which was called under the changed scenario. The Accounting concepts have been logically presented in classified framework and presentation has been exhaustive and illustrative. The book encompasses the changes required by academic and professional examinations. The language is simple and topics well synchronized. At the end of each chapter objective type, essay type, questions, practical questions which short answers have been given for recapitalization and better grasp of the subject. The contents have been simplified and particular care has been taken to explain complex and intricate points. With all the changes and adoption, innovative features and exhaustive practical dealing, the book is indispensable for the students.