

**Accounting Theory**

<b>Accounting Theory Semester - VIII</b>	Course Code: <b>COMC1822M</b> Nature of Course: Major/Minor
<b>Credits: 6 (4+2)</b>	Term End Examination: 100 Tutorials: 50 Total Marks: 150

**Course Description:**

This course has been designed to provide an insight to the students regarding the environment in which the accountancy profession operates. The course covers accounting thought, harmonization of accounting standards across different countries and detailed study of selected accounting standards of India (Ind AS).

**Course Objective**

1. To aware the students about accounting environment and emergence of accounting thought.
2. To make the students understand the need for harmonization and conversions of accounting practices across economies..
3. To impart knowledge and skills regarding application of Indian Accounting Standards (Ind AS) in the Indian organizations.

**Course Outcome:**

After the completion of this course, the students are expected to learn and apply global and Indian Accounting Standards (Ind AS) as practical/ professional Accountants.

**Unit I**

Accounting Environment- Economic, Social, Legal and Professional. Accounting Theory: Nature, foundation and role. Emergence of Accounting Thought: Approaches to Accounting thought; deductive Vs Inductive approach, positive Vs normative approach, events Vs predictive approach. Other approaches viz, pragmatic, authoritarian, sociological, and economic and ethical approaches. Accounting Theories: Accounting structure theory, Interpretational theory, and decision –usefulness theory.

**Unit II**

Harmonization and Global Convergence of Accounting Standards: Need, convergence of Accounting Standards, Standardization and Harmonization, Arguments for Harmonization and global convergence, International Accounting Standard Committee (IASC) and International Accounting Standard Board (IASB), Process of developing International Accounting Standards and IFRS. Benefits of Global Accounting Standards, Obstacles in convergence and Harmonization. Accounting Standard setting in India, process of standard setting.

### **Unit III**

Indian Accounting Standards: Study of Definition, objectives, scope, benefits and application of – Ind AS1, Ind AS2, Ind AS7, Ind AS8, Ind AS10, Ind AS 12 Ind- AS16, Ind AS19, Ind AS20, Ind AS21.

### **Unit IV**

Indian Accounting Standards: Study of Definition, objectives, scope, benefits and application of Ind- AS23, Ind AS24, Ind AS27, Ind AS28, Ind AS29, Ind AS33, Ind AS34, Ind AS36 Ind- AS37, Ind AS38, Ind AS40, Ind AS41,

### **Tutorials**

*Apart from the individual attention being given to the students, Tutorials shall include the following:*

- A. Case Studies individually or in groups*
- B. Group Discussions on subject specific current issues/developments*
- C. Assignments*
- D. Project Work & Viva-Voice*
- E. Field Visits & Reports*
- F. Practicals wherever applicable*

### **Suggested Readings:**

1. Gahlot, K.L, etal- Accounting Theory, AG Publishing
2. Ahmed Riahi Belkaoui, Accounting Theory, QuormBooks, 2000.
3. Jawahar Lal, Accounting Theory and Practice, Himalaya PublishingHouse,2008.
4. L.S.Porwal, Accounting Theory, TMH, 2000.
5. Rathore, Shirih – International Accounting.
6. Ravat & Shroff – Students Guide to Accounting Standards Taxmann Publications.
7. Indian Accounting Standards (Ind AS), Taxmann Publications.
8. D'Souza, Dolphy – Indian Accounting Standards (Ind AS), Taxmann Publications.

**Note: Latest Edition of the Readings may be used.**