

Short Questions

1. What is accounting?
2. What are financial items?
3. What is GAAP?
4. What are the statutory and non-statutory financial statements?
5. Explain the relationship between financial items and financial statements.
6. who sets accounting rules in India? Are they different from the rules of other countries?
7. How different is partnership from joint stock company?
8. What are the important features of a company form of organisation?
9. Who are the users of accounting information?
10. What are the contents of the annual report of a joint stock company?
11. what do you mean by perpetual succession of a company?
12. What is a foreign company?
13. Property of a company is not the property of the shareholders. Comment
14. What are the interim financial reports?
15. Distinguish between a public limited company and a private limited company.
16. Explain the concept of limited liability.
17. Write a brief note on the accounting policies.
18. What are accounting standards?
19. Distinguish between financial accounting and management accounting.
20. Make a list of the relevant laws affecting the financial statements.

Understanding the Forms of organisation

1. Distinguish between private limited company and public limited companies
2. Distinguish between public sector companies and public limited companies.
3. Explain the important features of public limited companies
4. Ms. A is planning to start a primary school in her village. Help her in deciding the form of organisation.
5. Mr. A is planning to start a placement agency in his home town. Help him in deciding the form of organisation.
6. Who manages a Joint Stock Company?
7. Write a brief note on the separation of management from the ownership of a company.
8. Why most of the well know management institutes in India were established as a “Society” or “Trust”
9. Why the companies, like the Infosys and Wipro start a separate organisations to undertake social activities?
10. Who takes the profits of a Joint Stock Company?
11. Who owns the assets of a Society?

Understanding the Financial Statements

1. Classify the following items into incomes, expenses, assets, and liabilities, owners money

Financial Items appearing in the annual report of Satyam Computers Services Limited		
Equity Share Capital	Office equipments	Rent
Issued capital	Quoted investments	Rates, taxes, and insurance
Share premium	Investments in subsidiaries	Printing and stationery
Free-hold land	Balance with scheduled banks	Advertising
Computer software	Sundry creditors	Directors' sitting fees

Understanding Indian Companies

2. Visit the web site of the following companies and comment on their ownership (shareholding pattern).
 - Wipro Limited
 - Infosys Technologies Ltd

- Reliance Industry
 - ONGC
 - NTPC
 - Tata Steel
3. Classify the following companies into private and public sector:
 - IFCI ltd.
 - ICICI Bank
 - NALCO
 - Power Grid Corporatio
 - Reliance Energy limited.
 - Power Finance Corporation
 - BSNL
 - VSNL
 4. Visit the website of the Wipro Limited and answer the following:
 - How is the company financing its assets?
 - Comment on the composition of the assets of the company.
 - What percentage of the total assets represent the investment within the business?
 - Comment on the profit distribution by the company.
 5. Compare the financing decisions of the Infosys Technologies Ltd with that of the Tata Steel.
 6. Compare the investment decisions of Bajaj Auto with that of the Hindusthan Unilever Limited.
 7. Visit the website of the Reliance Energy Limited and answer the following:
 - Who is the owner of the company?
 - Examine the shareholding pattern of the company.
 - Examine the profit earned by the company
 8. Following are some of the decisions taken by Wipro as per the information provided on the web site of the National Stock Exchange. Classify them into financing, investment and operating decisions
 - The company has entered into an Agreement on June 08,2006 to acquire from the owners of the Finnish company - Saraware Oy. The Target company is in Radio Network Infrastructure Software services space. 08-06-2006.
 - Completion of merger of three subsidiary companies namely Spectramind Limited, Bermuda, Spectramind Limited, Mauritius and Wipro BPO Solutions Limited with Wipro Limited. 08-05-2006.
 - resolved to issue and allot 3000 equity shares of Rs.2/- each pursuant to exercise of the stock options by the eligible employees. Wipro Ltd has informed the Exchange that Mr.Vivek Paul, Vice Chairman of the Company has resigned from the services of the company and from the Board of Directors of the company with effect from the close of business hours on October 01,2005.
 - Wipro Ltd has informed the Exchange that the BODs of the Company at their meeting held on April 22, 2005 has recommended issue of bonus shares at the ratio of 1:1 i.e. one equity shares for every one equity share held as on the record date to be determined by the BODs after the Annual General Meeting. Subject to the approval of the members of the company for issue of bonus shares, the record date for the same will be determined by the Board after the Annual General Meeting.
 9. Following are some of the decisions taken by NALCO as per the information provided on the web site of the National Stock Exchange. Classify them into financing, investment and operating decisions
 - National Aluminium Company Limited has informed the Exchange that the BODs of the company in their meeting held on January 12,2006 have approved payment of 20% interim dividend on the paid-up equity share capital of Rs.644.31 crores for the F.Y. 2005-06.
 - National Aluminium Company Limited has informed the Exchange that dividend at the rate of 40% (20% interim dividend already paid during February, 2005 plus 20% final dividend) for the year ended March 31, 2005 on paid-up Equity Share Capital of the Company has been declared by the shareholders in the AGM of the Company held on September 30, 2005 and

the same will be paid to the entitled share holders (Book Closure Period : September 27, 2005 to September 30, 2005). The dividend warrants will be despatched to the eligible around October 24, 2005.

10. Following are some of the decisions taken by Infosys as per the information provided on the web site of the National Stock Exchange. Classify them into financing, investment and operating decisions
- Infosys Technologies Ltd. has informed the Exchange that the Members of the Company at the Annual General Meeting held on June 10, 2006, have approved issue of bonus shares. Consequently the Board of Directors at their meeting held on June 10, 2006 have fixed July 14, 2006 as the record date for the purpose of issue of bonus shares.
 - Infosys Technologies Ltd. has informed the Exchange that the Board of Directors at its meeting held on April 20, 2006 has approved the buy out of Citi's stake in Progen Limited. In this regard the company has issued the press release dated April 20, 2006 titled "Infosys buys out Citi's stake in Progeon".
 - Infosys Technologies Ltd. has informed the Exchange that the BODs at its meeting held on April 14, 2006 recommended an issue of bonus shares (stock dividend) on the company's equity shares in the ratio of 1:1 i.e. one additional equity shares for every one equity share held by the members on the record date to be fixed by the Board. Further, the board has recommended a Silver Jubilee special dividend of Rs. 30 per share (600% on par value of Rs. 5 per share). The Board has also, proposed a final dividend of Rs. 8.50/- per share (170% on an equity share par value Rs. 5/-).
 - Infosys Technologies Ltd. has informed the Exchange regarding a press release, dated, March 27, 2006, titled, "Infosys Technologies signs MoU with Government of Andhra Pradesh for expansion plans in Hyderabad-Infosys wishes to expand in 550 acres; Plans to ramp up headcount to 25,000 with an added investment of Rs.1250 crore".
 - Infosys Technologies Ltd. has informed the Exchange regarding a press release dated December 19, 2005 titled "Infosys' Orissa Development Centre celebrates its 10th anniversary - Plans to increase headcount to over 4,500, with an added investment of Rs. 100 crore".
 - Infosys Technologies Ltd. has informed the Exchange regarding a press release dated October 25, 2005, titled "Infosys adopts Section 404 of the US Sarbanes Oxley Act.
 - Fidelity International has informed the Exchange that FMR Corp and its direct and indirect subsidiaries and Fidelity International Limited (FIL) and its direct and indirect subsidiaries have acquired 594,114 shares aggregating to 0.22% of the total paid up capital of Infosys Technologies Limited on October 10, 2005. The mode of acquisition is through Open Market and the shareholding of FMR Corp and its direct and indirect subsidiaries and Fidelity International Limited (FIL) and its direct and indirect subsidiaries after the said acquisition is 13,868,006 shares aggregating to 5.09% of the total paid up capital of Infosys Technologies Limited 13-10-2005
 - Infosys Technologies Ltd. has informed the Exchange that the Board at its meeting held on October 11, 2005 has declared an interim dividend of Rs. 6.50/- on each equity share (130% on a par value of Rs. 5/- per share).
 - Infosys Technologies Ltd. has informed the Exchange regarding a press release dated Sept 01, 2005 titled "Infosys signs five year global IT deal with ABN AMRO; Contract seen as a landmark deal in the IT services industry".
 - Infosys Technologies Ltd. has informed the Exchange that the Company has issued two press releases dated August 04, 2005, titled 'Infosys signs agreement to set up software development centers in China; Investment of \$65 million in the next five years' and 'Infosys signs agreement to set up software development campus in Hangzhou; Investment of \$ 45 million for a 4000 seat centre in the next five years'.
 - Infosys Technologies Ltd. has informed the Exchange that the Company has issued a press release dated August 03, 2005, titled 'Infosys signs agreement to set up software development campus in Shanghai; investment of \$20mn for a 2000 seat centre in the next five years'.