



Dezyne École College
Bachelor of Business Administration (B.B.A.) Third Year-5th Semester
Corporate Accounting

1. The balances of Gama Ltd. as at 31st March, 2016 are as follows:

Particulars	Rs.
Equity Share Capital 10,000 Shares of Rs.100 each	10,00,000
Surplus in Statement of Profit & Loss	
Balance on 1-4-2015	Rs. 60,000
Current year's profit before tax	<u>5,40,000</u>
Depreciation Fund:	
Machinery	8,000
Investment	<u>12,000</u>
Creditors	50,000
	<u>16,70,000</u>
Machinery	1,00,000
Investment in(9% Govt.Securities)	4,00,000
Stock	Rs. 4,00,000
Debtors	5,00,000
Less: Prov. For Bad debts	<u>20,000</u>
Cash at Bank	4,80,000
Preliminary Expenses	2,00,000
	90,000
	<u>16,70,000</u>

Additional Information:

- (i) The Profits of the company show an increasing trend of 20,000 since last three years.
This will be continued in near future.
- (ii) Machinery now worth 2,00,000
- (iii) The tax rate of company is 50%.
- (iv) Normal Rate of return for such type of companies may be taken at 15%.
- (v) Goodwill of the company is to be calculated on the basis of 3 years purchase of super

Profits. (taking weighted average of profits.)

Find out the fair value of shares by actual rate of return method. Ignore additional Depreciation.

2. A Limited Company had already issued 4,000 5% Debentures of 100 each. The company reserved the right, on giving due notice, to redeem them on any date after 31st March 2016 at Rs.105. On 31st March, 2016 the Debenture Redemption Fund was showing a balance of Rs.2,17,000 and the same amount stood invested outside the business. The directors gave notice to repay the debentures on 30th September, 2016 in accordance with the terms of issue and at the same time offered the debenture-holders the right, instead of payment in cash to receive one new 7% debenture of Rs.100 at Rs.98 and Rs.7 in cash for existing debenture. Debenture-holders holding 2,800 debentures accepted the offer and the rest were paid out in cash. This Cash was provided by the company partly out of current funds and partly by the sale of a part of the investments which realized Rs.1,17,400, their book value being Rs.1,02,000. Set out the ledger accounts affected by the above transactions, ignoring interest payments.

3. What is share certificate?

4. What do you mean by issuing of securities at premium?

5. Pass the journal entry for issue of shares at discount at the time of re-issue.

6. What are the types of debentures according to conversion?

7. Show the treatment of debentures issued as collateral security in company's Balance Sheet?

8. What the meaning of redemption of preference shares?

9. What do you mean by buy-back of shares?

10. Enumerate various methods and sources of redemption of debentures.

11. What are different methods of redemption of debentures? Describe their characteristics.

12. What is a future maintainable profit?

13. How will you calculate goodwill by super profit method?

14. Calculate the amount of actual average profit from the following information:

Goodwill= 98000 (5 years purchase of super profit)

Normal rate of return = 10%

Average capital employed = 500000 Rs.

15. What would be the formula to calculate the value of equity and preference share if preference shareholders have no preferences?
16. What do you mean by Intrinsic Value of Shares?
17. Under which circumstances the valuation of shares is needed?
18. When the internal reconstruction is desirable?
19. Name any 8 items which are written on the debit side of the capital Reduction Account at the time of internal reconstruction.
20. What is Subsidiary Company?
21. Explain the disadvantages of a Holding Company.
22. What are the objects of a Holding Company?
23. Explain minority interest in the context of consolidated Balance Sheet?
24. Give formula for goodwill in context of consolidated Balance Sheet?
25. Mention the situations for voluntary winding up of a company?

Roll No...855591....

C

9638

**Bachelor of Business Administration (BBA)
(Third Year) EXAMINATION, 2017**

(Elective Group I Accounting)

Paper-bba-3081

CORPORATE ACCOUNTING

Time allowed : Three hours

Maximum marks : 70

*Attempt five questions out of seven.
However, the word limit of each answer
should not exceed 400. In case the
question paper contains a case study, it
will be considered equivalent to two
questions and in that situation, the word
limit should be 800 for answering the
case study and further the candidate
has to attempt three more questions with
a word limit of 400 for each question.*

*No supplementary answer book shall be
provided.*

PTO

सात प्रश्नों में से 5 पाँच प्रश्न कीजिये। प्रत्येक उत्तर की शब्द-सीमा 400 शब्द से अधिक नहीं होनी चाहिए। प्रश्न-पत्र में केस स्टडी होने की स्थिति में यह केस स्टडी दो प्रश्नों के बराबर होगी और इस केस स्टडी की शब्द-सीमा 800 शब्दों से अधिक नहीं हो तथा परीक्षार्थी तीन अन्य प्रश्न हल करेगा जो कि 400 शब्द-सीमा से अधिक नहीं हों।

पूरक उत्तर-पुस्तिकाएँ प्रदत्त नहीं की जायेंगी।

Unit-I

इकाई-I

1. What do you mean by Redemption of Debentures ?
What are the provisions relating to Redemption of Debentures ?

डिबेंचर के रिडेम्पशन से क्या मतलब है ? डिबेंचर के रिडेम्पशन से सम्बन्धित प्रावधान क्या हैं ?

2. BSH Ltd. issued 40,000 equity shares of Rs. 10 each, at a premium of Rs. 2 each to the public. The amount was payable as to Rs. 2 on application, Rs. 4 on allotment (including premium) and Rs. 6 on call.

Owing to heavy oversubscription, allotment was made as under :

- (a) Application for 23,000 shares (in respect of application for 2,000 or more shares) were allotted 10,560 shares.
- (b) Application for 48,000 shares (in respect of applications for 1,000 or more shares) were allotted 14,200 shares.
- (c) In respect of the remaining applicants, that is for those who applied for 25,400 shares allotted 15,240 shares on pro-rata basis.

Excess application money was adjusted against subsequent dues and the final surplus was returned. *P*, to whom 300 shares were allotted on pro-rata basis failed to pay the allotment money. *Q* who was allotted 450 shares on pro-rata basis did not pay the call money. Their shares were forfeited after the call was made. Five hundred of these shares were re-issued to *R* at Rs. 9 per share (the whole of *P*'s shares being included). Show the journal entries, cash book and the Balance Sheet in the books of *BSH* Ltd. Working will form part of the answer.

BSH लिमिटेड ने 10 रु. प्रति शेयर के 40,000 इक्विटी शेयर जारी किये 2 रु. के प्रीमियम पर, प्रत्येक जनता के लिए, राशि 2 रु. आवेदन पर 4 रु. आबंटन (प्रीमियम सहित) पर एवं 6 रु. माँग पर देय थी।

भारी सबस्क्रिप्शन के कारण, आबंटन निम्नानुसार किया गया था :

- (a) 23,000 शेयरों के लिए आवेदन (2,000 या अधिक शेयरों के लिए आवेदन के सम्बन्ध में) 10,560 शेयर आबंटित किये गये थे।
- (b) 48,000 शेयरों (1,000 या अधिक शेयरों के लिए आवेदन के सम्बन्ध में) के लिए आवेदन 14,200 शेयर आबंटित किये गये थे।
- (c) शेष आवेदकों के सम्बन्ध में, जो उन लोगों के लिए हैं जिन्होंने 25,400 शेयरों के लिए आवेदन किया था, जो कि प्रो-राटा आधार पर 15,240 शेयर आबंटित किये गये थे।

अतिरिक्त आवेदन धन के बाद के बकाये के खिलाफ समायोजित किया गया था और अन्तिम अधिशेष लौटा था। P , जिनके लिए 300 शेयर आबंटित धन का भुगतान करने में विफल रहे थे। प्रो-राटा आधार पर 450 शेयर आबंटित किये जाने वाले Q को कॉल मनी का भुगतान नहीं किया गया था। कॉल किये जाने के बाद उनके शेयर जब्त कर दिये गये थे। इन शेयरों में से पाँच सौ शेयरों को 9 रु. प्रति शेयर के हिसाब से R को पुनः जारी किया गया (पूरे P के शेयरों को शामिल किया जा रहा है।)

BSH लिमिटेड की पुस्तकों में जर्नल की प्रविष्टियाँ, नकद पुस्तक और बैलेंस शीट दिखायें। वर्किंग इस उत्तर का हिस्सा होगा।

3. Thin & Co. Ltd. was absorbed by Thick & Co. Ltd., as on 30th June, 2016. All the assets and liabilities of Thin & Co. Ltd. was taken over by Thick & Co. Ltd. The purchase consideration was agreed at Rs. 3,36,000 and was paid in so many fully paid equity shares of Thick & Co. Ltd. to be distributed to the equity shareholders of Thin & Co. Ltd. the following are the Balance Sheets of both the companies as on 30 June, 2016.

थिन एण्ड कम्पनी लिमिटेड को 30 जून, 2016 तक थिक और कम्पनी लिमिटेड द्वारा अवशोषित किया गया था। थिन एण्ड कम्पनी लिमिटेड की सभी सम्पत्ति और देनदारियों को थिक और कम्पनी लिमिटेड द्वारा अधिग्रहण किया गया था। रु. 3,36,000 और थिन एण्ड कम्पनी लिमिटेड के इक्विटी शेयरधारकों को वितरित किये जाने के लिए थिक एण्ड कम्पनी लिमिटेड के इतने सारे पूर्ण भुगतान वाले इक्विटी शेयरों में भुगतान किया गया। 30 जून, 2016 तक दोनों कम्पनियों की बैलेंस शीट निम्नलिखित है :

Liabilities

Thick &
Co. Ltd.
Rs.

Thin &
Co. Ltd.
Rs.

Authorised Capital :

Equity Share of Rs. 10 each

15,00,000

5,00,000

Issued and Subscribed Capital :

Equity Shares of Rs. 10 each
fully paid up

7,50,000 2,00,000

General Reserve

1,50,000 50,000

Profit and Loss A/c

20,502 12,900

Workmen Compensation Fund

12,000 9,000

Sundry Creditors

58,567 30,456

Staff Provident Fund

10,000 4,000

Provision for Taxation

12,000 5,000

10,13,069

3,11,356

Assets

Thick &
Co. Ltd.
Rs.

Thin &
Co. Ltd.
Rs.

Goodwill

2,00,000

60,000

Plant and Machinery

3,12,000

1,00,000

Stock in Trade

2,65,000

80,000

Sundry Debtors

2,21,200

56,000

Prepaid Insurance

-

700

Income Tax Refund Claim	-	6,000
Cash in Hand	869	356
Cash at Bank	14,000	8,300
	<u>10,13,069</u>	<u>3,11,356</u>

You are required to :

- Show the necessary Ledger Accounts in the books of Thin & Co. Ltd.
- Prepare the Balance Sheet of Thick & Co. Ltd. after the amalgamation.

आपको निम्न करने की आवश्यकता है :

- थिन एण्ड कम्पनी लिमिटेड की पुस्तकों में आवश्यक खाता दिखायें।
- समामेलन के बाद थिक एण्ड कं. लिमिटेड की बैलेंस शीट तैयार कीजिये।

4. What do you mean by Valuation of Goodwill ? Why Valuation of Goodwill needed ? What are the methods of Valuation of Goodwill ? Explain.

ख्याति के मूल्यांकन से क्या मतलब है ? ख्याति का मूल्यांकन क्यों आवश्यक है ? ख्याति के मूल्यांकन के तरीके क्या हैं ? समझाइये।

Unit-III

इकाई-III

5. The Balance Sheet of *H Ltd.* and *S Ltd.* on 31st March, 2016 are given below :

बैलेंस शीट *H लिमिटेड* एण्ड *S लिमिटेड* की 31 मार्च, 2016 को नीचे दिया गया है :

Liabilities	<i>H. Ltd.</i> Rs.	<i>S. Ltd.</i> Rs.
Share capital :		
Equity shares of Rs. 100 each	6,00,000	2,00,000
General reserve	60,000	25,000
Profit and Loss A/c	80,000	15,000
Creditors	75,000	48,000
	<u>8,15,000</u>	<u>2,88,000</u>

Assets	<i>H. Ltd.</i> Rs.	<i>S. Ltd.</i> Rs.
Sundry assets	6,55,000	2,88,000

Investments :

1,600 shares of Rs. 100 each	1,60,000	-
	<u>8,15,000</u>	<u>2,88,000</u>

H. Ltd. acquired shares in *S. Ltd.* on 31st March, 2016. Prepare the consolidated Balance Sheet of *H. Ltd.* and *S. Ltd.* as on that date.

H. लिमिटेड 31 मार्च, 2016 को *S. लिमिटेड* में अधिग्रहीत शेयरों, उस तिथि के अनुसार *H. लिमिटेड* और *S. लिमिटेड* की समेकित बैलेंस शीट तैयार कीजिये।

6. What do you understand by the term Statement of Changes in Financial Position ? How it is prepared ? What are its advantages ? Discuss.

वित्तीय स्थिति में परिवर्तन का विवरण शब्द से आप क्या समझते हैं ? यह कैसे तैयार होता है ? इसके लाभ क्या हैं ? चर्चा कीजिये।

7. Write notes on any two of the following :

- (i) Issue and Forfeiture of Shares
- (ii) Accounting for Internal Reconstruction
- (iii) Indian Accounting Standard 3

निम्नलिखित में से किन्हीं दो पर टिप्पणियाँ लिखिये :

- (i) शेयरों का जारी करना और जब्त करना

(ii) आन्तरिक पुनर्निर्माण के लिए लेखांकन

(iii) भारतीय लेखा मानक-3