Roll No................................

BBA –2014

CORPORATE ACCOUNTING

Paper Code (BBA-204)

Paper Id. [C0243]

Time : 3 Hrs **Maximum Marks: 60**

INSTRUCTIONS:

- ***Section –A is compulsory***
- ***Attempt any 1question from each unit of section –B***

SECTION-A (10x2=20)

Ques.1

I. What is forfeiture of shares?

II. Difference between discount on issue of shares according to sec. 79 & discount on reissue of forfeited shares.

III. What are maximum limits of managerial Remuneration if profits re inadequate?

IV. What is effective capital?

V. What is an escrow account ?

VI. What is payment of interest out of capital?

VII. What is Net Asset method of calculating purchase consideration?

VIII. What is cat goodwill?

IX. Who are stock brokers?

X. Who are merchant bankers?

SECTION-B (4x10=40)

UNIT-I

Ques.2 What is profit prior to incorporation ? How it is calculated & treated?

OR

Ques.3 **Zens Ltd., gave notice of its intention to redeem its outstanding ₹ 6,00,000 9% Debentures at ₹ 102 per cent and offered the holders the following options to apply for this redemption money to subscribe for :**

(*a*) Preference Shares of ₹ 20 each at ₹ 22.50 per share and

(*b*) 10% Debentures at ₹ 96.

The holders of ₹ 2,40,000 debentures accepted the proposal (*a*) and ₹ 1,80,000 debenture holders accepted the proposal (*b*) above.

Pass the necessary Journal Entries to give effect to the above mentioned transactions.

UNIT-II

Ques.4. How will you calculate profits for the purpose of calculation of managerial remuneration according to Sec 349?

OR

Ques.5 **. A Company issued 50,00,000 equity shares of ₹ 10 each, ₹ 8 paid up. It passed the following resolutions :**

(*a*) that profit be used in making the partly paid-up shares fully paid.

(*b*) that further 25,00,000 fully paid up equity shares to be issued as bonus shares.

Following balances are appearing in the books :

Securities Premium Reserve ₹ 1,00,00,000 ; General Reserve ₹ 50,00,000 ; Surplus A/c ₹ 3,50,00,000.

You are required to give Journal entries for recording the above transactions.

UNIT-III

Ques6. Explain the following:

- *Minority interest*
- *Pre-acquisitions profit*
- *Post- acquisitions profit*
- *Cost of control*

OR

Ques -7 **Following particulars are available in relation to X Ltd.**

(*i*) Capital : 450 6% preference Shares of ₹ 100 each fully paid ; and 4,500 equity shares of ₹ 10 each fully paid.

(*ii*) External liabilities : ₹ 7,500.

(*iii*) Reserves and surplus : ₹ 3,500.

(*iv*) The average expected profit (after taxation) earned by the company ; ₹ 8,500.

(*v*) The normal profit earned on the market value of equity shares (fully paid) of the same line companies is 9%.

(*vi*) 10% of the profits after tax each year is transferred to reserves.

Calculate the intrinsic value per equity share and the value per equity share according to dividend yield basis. Assume that out of total assets, assets worth ₹ 350 are fictitious.

UNIT-IV

Ques8. Which are the different types of Non-Banking finance companies registered with R.B.I ?

OR

Ques9. Explain the role and functions of stock brokers?

--END--