

Roll No.

Total No. of Pages : 03

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Bachelor In Service Industry Management / BRDM (2014 Batch)

BBA (2012 & onward Batches)

(Sem.-2)

CORPORATE ACCOUNTING

Subject Code : BBA-204

Paper ID : [C0243]

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTION TO CANDIDATES :

1. **SECTION-A is COMPULSORY** consisting of **TEN** questions carrying **TWO** marks each.
2. **SECTIONS-B** consists of **FOUR** Sub-sections : Units-I, II, III & IV.
3. Each Sub-section contains **TWO** questions each, carrying **TEN** marks each.
4. Student has to attempt any **ONE** question from each Sub-section.

SECTION - A

1. Write briefly :

- a. What is oversubscription of shares?
- b. What is super profit for valuation of goodwill?
- c. What is pro-rata allotment of shares?
- d. What is right issue of shares?
- e. What are naked debentures?
- f. What is contingent liability?
- g. What is minority interest?
- h. What is purchase consideration?
- i. Name two types of goodwill.
- j. Distinguish between Calls on Arrear and Calls in Advance.

SECTION - B

Unit - 1

2. What do you mean by oversubscription of shares? How excess application money is treated in accounts?
3. M/S Blue chips Ltd issued 5,000 equity shares of Rs 100 each at a premium of Rs 25 per share. On 1st January 2014 the company received 12,000 applications of which 2,000 applications were totally rejected and their amount was refunded on 1st February 2014 when remaining applicants were allotted shares on pro-rata basis.

The amount of shares is receivable as under :

On application Rs 30 on allotment Rs 45 (incl premium)

On first call Rs 25 on second call Rs 25

Allotment money was received in full on 15th February 2014. First call was made on 15th May 2014 and received on 1st June 2014 except on 25 shares held by Mr. Azad. His shares were forfeited on 1st October 2014 and reissued on 15th October 2014 credited at Rs 75 paid for Rs 110 per share to Mr. Anand.

Final call was made on 1st November 2014 and received on 15th November 2014 except on 100 shares held by Mr. Banarsidas. Pass journal entries in the books of Blue Chips Ltd.

Unit - II

4. Discuss the provisions relating to the calculation of managerial remuneration.
5. Discuss the provisions of transfer of profit to reserve before declaration of dividends.

Unit - III

6. What are the different methods of valuation of shares? Discuss in detail.

7. From the ledger balances given as on 31st March 2014 and information given below prepare consolidated balance-sheet.

Liabilities	H Ltd.	S Ltd.	Assets	H Ltd.	S Ltd.
Share capital Rs.10 fully paid	5,00,000	1,00,000	Fixed assets	4,00,000	60,000
Surplus A/c	2,00,000	60,000	Stock	3,00,000	1,20,000
Reserves	60,000	30,000	Debtors	75,000	85,000
Bills Payable		15,000	Bills Receivables	20,000	----
Creditors	10,000	60,000	Shares in S Ltd. (at a cost of Rs. 7500)	75,000	-----
	8,70,000	2,65,000		8,70,000	2,65,000

Additional information :

- The bills accepted by S Ltd are all in favour of H Ltd.
- The stock of H Ltd includes Rs 25,000 bought from S Ltd at a profit to the latter of 20% of sales.
- All the surplus of S Ltd has been earned since the shares were acquired by H Ltd but there was already the reserve of Rs 40,000 at that date.

Unit - IV

- Explain how computerised accounting is more helpful to business as compared to the traditional book keeping? Explain the importance of computerised accounting.
- Explain in detail the financial reporting followed by the mutual fund institutions.