Roll No.

Total No. of Questions: 09 **Total No. of Pages: 02**

BBA/BRDM/Bachelor in Service Industry Management (SIM)(Sem. 2)
CORPORATE ACCOUNTING
Subject Code: BBA-204
Paper ID: C0243

Time: 03 Hrs. **Max. Marks: 60**

INSTRUCTIONS TO CANDIDATES:

1. **Section A is COMPULSORY consisting of TEN questions carrying TWO marks each.**
2. **Sections B attempt any ONE question from each UNIT and each unit carry TEN marks.**

SECTION A

1. Write short notes on:

a) Right shares

b) What do you understand by Goodwill?

c) Benefits of redeemable debentures

d) Issue of shares at discount

e) What do you mean by a holding company?

f) What do companies do in case of over subscription of shares?

g) What are the objectives of amalgamation?

h) Non -Mandatory disclosure by the companies.

i) Role of merchant banker

j) What do you mean by profits prior to incorporation?

SECTION B

UNIT I

2. What do you understand by preliminary expenses? Explain the accounting treatment for writing off the preliminary expenses.

3. Why companies prefer to issue equity shares at premium? Also discuss the legal and accounting provisions regarding utilization and recording of share premium.

UNIT II

4. Briefly explain the important legal provisions mentioned in company law regarding preparation of final accounts.

5. Write a brief note on:

a) Appropriation out of profits

b) Determination of managerial remuneration

UNIT III

6. Differentiate between holding company and subsidiary company. Explain the accounting treatment in case of internal reconstruction in companies.

7. Shyam & Co proposed to purchase the business of M/s. Anand & Co. Goodwill for this purpose is agreed to be valued at 3years'purchase of the average profit of the last five years

Calculate the value of goodwill from the information given below: Profits for last five years

Years	Profit (Rs.)
2010	40,000
2011	45,000
2012	49,000
2013	38,400
2014	52,000

a) The profits of Anand & Co. for -2012 include a non-recurring profit of Rs. 5,500.

b) The profits of 2013 have been arrived after deducting an extraordinary loss on account of embezzlement for Rs. 4,300.

UNIT IV

8. What do you mean by mutual funds? What are the financial reporting requirements in context to mutual funds in India?

9. Briefly discuss the role of accounting software in bringing accuracy and flawless recording of business transactions.