Roll No. ☐☐☐☐☐☐☐☐☐☐☐☐ **Total No. of Pages : 03**

Total No. of Questions : 09

B.Com (Hons.) (Sem.–4)

CORPORATE ACCOUNTING

Subject Code : BCOM-401-18

M.Code : 77409

Date of Examination: 26-05-2023

Time : 3 Hrs. **Max. Marks : 60**

INSTRUCTIONS 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. **Students have to attempt any ONE question from each Sub-section.**

SECTION-A

1. **Answer Briefly :**

   a) Note on Buy back of shares

   b) Meaning book building process

   c) Sweat equity shares

   d) Any two methods of calculating goodwill

   e) Note on NPA

   f) Note on Issue of shares for consideration other than Cash

   g) Short note on redemption of preference shares

   h) Sources of Bonus Shares to be issued

   i) Can a company declare dividend out of pre-incorporation profits?

   j) Format of balance sheet of a company as per Companies Act, 2013.

SECTION-B

UNIT-I

2. What is Redemption of preference shares? Discuss the provisions of section 55 of the Companies Act, 2013 regarding issue and redemption of preference share.

3. From the following trail balance as on 31.03.2022, prepare trading and profit & loss A /c and Balancesheet:

Debit	**Amount**	**Credit**	**Amount**
Opening Stock	50000	Sales	415000
Purchases	310000	Creditors	40000
Debtors	111000	Capital	288600
Motor car	48000		
Wages	20000		
Drawings	4000		
Carriage inward	10000		
Carriage outward	22000		
Discount	18000		
Rates and taxes	5000		
Cash in hand	14100		
Salaries	32000		
Postage	11500		
Bad debts	2000		
Commission	35000		
Insurance	9000		
Advertisement	17000		
Furniture and fittings	22000		
Printing and Stationary	3000		
	743600		**743600**

Adjustments:

a) Closing Stock Rs. 145000

b) Mr. A had withdrawn goods worth Rs. 5000 during the year

c) Purchases include purchases of furniture worth Rs. 10000.

d) Debtors include Rs. 5000 as bad debts.

e) Provision of bad debts is to be created at 5% on sundry debtors

f) Depreciation on furniture 10% and motor car 20%

g) Salesman entitled to commission of 1% on net sales.

UNIT-II

4. Discuss Goodwill. Discuss the various methods of valuation of goodwill.

5. **Following particulars are available:**

Profits earned: 2016 - Rs.50000; 2017- Rs.60000; 2018- Rs.55000.

Normal rate of profit 10% Capital employed - Rs.300000

Profits included non-recurring profits on an average basis of Rs. 4000 out of which it was deemed that even non-recurring profits had a tendency of appearing at the rate of 1000 p.a.

Calculate Goodwill :

a) as per five years purchase of super profits

b) as per capitalization of super profit method

c) as per capitalization of normal profits.

UNIT-III

6. Difference between amalgamation in nature of purchase and merger.

7. What is reconstruction? Difference between external and internal Reconstruction.

UNIT-IV

8. Give performa of revenue account of life insurance business.

9. Prepare (with imaginary figures) the balance sheet of a General insurance company.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.