

2024/TDC (CBCS)/EVEN/SEM/
COMDSC-401T/187

TDC (CBCS) Even Semester Exam., 2024

COMMERCE

(4th Semester)

Course No. : COMDSC-401T

(Corporate Accounting)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

The figures in the margin indicate full marks
for the questions

UNIT—I

1. Answer any *four* of the following questions :

1×4=4

(a) What is meant by 'Share'?

(b) What is 'Debenture'?

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(2)

- (c) What is meant by underwriting of shares?
- (d) Is buy-back of shares permissible under the Companies Act, 2013?
- (e) What is meant by oversubscription of shares?

2. Answer any *one* of the following questions : 2

- (a) Mention two uses of securities premium.
- (b) Write two advantages of bonus share.

3. Answer any *one* of the following questions : 8

- (a) On 1st April, 2023, A Ltd. issued 400000 equity shares of ₹ 10 each payable as follows :

On Application—₹ 3

On Allotment—₹ 3

On 1st October, 2023—₹ 2

On 1st February, 2024—₹ 2

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(3)

By 20th May, the issue was fully subscribed. Allotment was made on 1st June. All sums due on allotment were received by 1st July; those on 1st call were received by 20th October. When accounts were closed on 31st March, 2024, the second and final call on 1000 shares had not been received.

Journalize the transactions.

- (b) Discuss SEBI's guidelines regarding issue of bonus shares.

UNIT—II

4. Answer any *four* of the following questions :

1×4=4

- (a) What is meant by Nominal Capital?
- (b) Give an example of capital expenditure.
- (c) What is revenue?
- (d) What is dividend?
- (e) What is meant by sweat equity shares?

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(4)

5. Answer any one of the following questions : 2

(a) How is call in advance treated in Final Accounts?

(b) Write Journal Entry for recording closing stock.

6. Answer any one of the following questions : 8

(a) The following is the Trial Balance of ABC Co. Ltd. as at 31st March, 2024 :

	Dr. ₹	Cr. ₹
Stock, 1st April, 2023	7,50,000	—
Sales	—	35,00,000
Purchases	24,50,000	—
Wages	5,00,000	—
Discounts	70,000	50,000
Salaries	75,000	—
Rent	49,500	—
General Expenses	1,70,500	—
Profit & Loss A/c, 01.04.2023	—	1,59,300
Dividend Paid	90,000	—
Corporate Dividend Tax @ 10%	9,000	—

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(5)

	Dr. ₹	Cr. ₹
Capital : 100000 Shares of ₹ 10 each	—	10,00,000
Sundry Debtors and Creditors	3,75,000	1,75,000
Plant and Machinery	2,90,000	—
Cash in Hand and at Bank	1,62,000	—
General Reserve	—	1,55,000
Bad Debts	48,300	—

You are required to prepare Trading and Profit & Loss A/c for the year ended 31st March, 2024, after taking into account the following :

(i) Stock on 31st March, 2024—
₹ 8,20,000

(ii) Depreciate Machinery @ 15%

(iii) One month rent @ ₹ 4,500 per month was due on 31st March, 2024

(b) Discuss the provisions of the Companies Act, 2013, regarding disposal of profits.

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UNIT—III

7. Answer any four of the following questions :

1×4=4

- (a) What is Goodwill?
- (b) "Goodwill is a fictitious asset." Is the statement true?
- (c) Mention one situation when shares can be converted into stock.
- (d) What is meant by super profits?
- (e) What is meant by Net Assets?

8. Answer any one of the following questions : 2

- (a) Mention any two needs arising for valuation of shares.
- (b) What is meant by capitalization of profits?

9. Answer any one of the following questions : 8

- (a) From the following particulars of XY Ltd., find out the fair value of shares :

Balance Sheet
as at 31st March, 2024

Liabilities		₹	Assets		₹
Capital :			Goodwill		2,00,000
20000 shares of			Fixed Assets		16,00,000
₹ 100 fully paid	20,00,000		Cash		50,000
Reserves	1,00,000		Other Current		
Creditors	6,00,000		Assets		8,30,000
			Preliminary		
			Expenses		20,000
		<u>27,00,000</u>			<u>27,00,000</u>

Goodwill is worth ₹ 2,50,000. Fixed Assets are worth ₹ 15,00,000. Dividends for last three years were 13%, 17% and 15%. Market yield of similar types of shares is 10%.

- (b) Describe the factors that affect the value of goodwill of a limited company.

UNIT—IV

10. Answer any four of the following questions :

1×4=4

- (a) What is meant by holding company?
- (b) What is a subsidiary company?
- (c) What is meant by equity?
- (d) What is minority interest?
- (e) How is pre-acquisition profit treated by a holding company?

11. Answer any one of the following questions : 2

- (a) What is meant by Consolidated Financial Statement?
- (b) What is meant by Cost of Control?

12. Answer any one of the following questions : 8

- (a) Describe the advantages of holding companies.

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(b) H Ltd. holds 80% shares in S Ltd. The following balances are extracted from S Ltd. :

	₹
Pre-acquisition profits	4,00,000
Post-acquisition amount in General Reserve	1,00,000
Post-acquisition loss as per Profit & Loss A/c	2,00,000
Share Capital	20,00,000

Find out the Minority Interest.

UNIT—V

13. Answer any four of the following questions :

1×4=4

- (a) What is meant by amalgamation?
- (b) What is merger?
- (c) What is meant by internal reconstruction?
- (d) What is meant by net worth?
- (e) What is purchase consideration?

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14. Answer any one of the following questions : 2

- (a) Mention two merits of amalgamation.
- (b) Name the Accounting Standard associated with amalgamation.

15. Answer any one of the following questions : 8

- (a) Describe the methods of accounting for amalgamation of companies.
- (b) The following is the Balance Sheet of A Ltd. :

Liabilities	₹	Assets	₹
Share Capital :		Goodwill	70,000
6000 Equity Shares		Plant & Machinery	4,60,000
of ₹ 100 each	6,00,000	Furniture	1,02,000
General Reserve	2,50,000	Stock	4,36,000
Profit & Loss A/c	80,000	Debtors	1,34,000
Bills Payable	70,000	Cash at Bank	23,000
Sundry Creditors	2,45,000	Preliminary	
		Expenses	20,000
	<u>12,45,000</u>		<u>12,45,000</u>

B Ltd. purchases the business of A Ltd. on the following terms :

- (i) Goodwill is valued at ₹ 2,00,000

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(ii) Stock is valued at ₹ 4,00,000

(iii) Other assets are considered worth their book values

(iv) B Ltd. does not take over cash at bank

Calculate the purchase consideration.

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