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B.Com. (Part II) (Semester III) (Based on NEP - 2020)**Examination, December - 2024****Corporate Accounting (Paper I)****Sub. Code : 91687****Day and Date : Saturday, 07/12/2024****Total Marks : 40****Time : 10.30 a.m. to 12.00 p.m.**

- Instructions :**
- 1) Question Nos. 1 and 2 are compulsory.
 - 2) Attempt any three questions from question numbers 3 to 6.
 - 3) Use of simple calculator is allowed.
 - 4) Figures to the right indicate full marks.

Q. 1) MCQ (8 MCQs each for one mark)**(8)**

1. Bonus shares are issued only to.....
 - a) Fully paid preference shares
 - b) Partly paid preference shares
 - c) Partly paid equity shares
 - d) Fully paid equity shares
2. Issue of bonus share raises the overall of the company.
 - a) Loan Capital
 - b) Share Capital
 - c) Reserves and Surplus
 - d) Assets
3. The time limit given to existing share holders for selecting the option of Right shares is.....
 - a) 15 to 30 days
 - b) 1 to 15 days Right
 - c) 30 to 45 days Sweat
 - d) 45 to 60 days
4. Issue of is one of the sources of debt financing for business activities.
 - a) Debenture
 - b) Equity shares
 - c) Preference shares
 - d) Ordinary shares
5. The profit earned is not available for dividend.
 - a) Pre-incorporation
 - b) After-incorporation
 - c) Post-incorporation
 - d) Post Registration

6. When a company running a business is taken over by a company from a date prior to its incorporation, the profit earned or loss suffered from date of purchase to the date of incorporation is known as profit or loss.
- a) Pre-incorporation b) After-incorporation
c) Post-incorporation d) Post Registration
7. Generally, gross profit is allocated between the two parties on the basis of ratio.
- a) Sales b) Time c) Period d) Expenses
8. is the most popular accounting software.
- a) Data Base b) Tally c) Income Tax d) License Software

Q.2) Short Notes (two out of three)**(8)**

1. Right Issue
2. Sweat equity shares
3. Profit prior to & after incorporation

Q.3) Reliance Industries Ltd. Present following balance sheet as on 31st March 2023 (8)**Balance Sheet as on 31st March 2023**

Liabilities	Amount	Assets	Amount
Authorised Capital	20,00,000	Fixed Assets	
Issued, Subscribed Capital		Plant & Machinery	6,50,000
300 10% Pref. Shares at Rs. 1,000 each.	3,00,000	Furniture & Fixtures	1,70,000
600 equity shares of Rs. 1,000 each.	6,00,000	Other Fixed Assets	1,60,000
Reserve and Surplus		Current Assets	
Capital reserve	1,50,000	Stock/ Inventories	2,50,000
Securities premium	70,000	Trade receivable	2,70,000
General reserve	3,60,000	Cash at bank	1,30,000
Profit and Loss Account	1,25,000	Cash in hand	1,00,000
Secured loan	Nil		
Unsecured loan	Nil		
Current Liabilities & provision	1,25,000		
	17,30,000		17,30,000

On 1st April 2023, the company issued one fully paid bonus equity share of Rs. 1,000 each for every three equity shares held to its equity shareholders. For this purpose, the balance in profit and loss account and general reserve are used to the necessary extent. You are required to pass journal entries for the above transaction.

Q.4) ABC Company issued following debentures during the financial year 2023-24.(8)

1. On 31/5/2023, issued 1,000 7% debentures of Rs. 1,000 each at 4% discount repayable at par.
2. On 31/7/2023, issued 2,000 8 % debentures of Rs. 1,000 each at par repayable at par.
3. On 31/9/2023, issued 3,000 6% debentures of Rs. 1,000 each at 5% premium repayable at par.
4. On 31/11/2023, issued 1,000 7 % debentures of Rs. 2,500 each repayable at 4% premium.

You are requested to pass journal entries in the books of the company.

Q. 5) Takari-Mhaisal Supply Company, Sangli has issued on 1/4/2018, % debentures of Rs. 5,00,000 at par repayable at a premium of 5% after 5 years. The company created a Debenture Redemption Fund (Sinking Fund) by transfer of Rs. 1,00,000 every year from its profit. An equal amount and interest thereon was to be invested in 8% Government approved bonds at the end of every year. On 31/3/2023, the investments were sold for Rs. 4,55,000. (8)

Calculate profit or loss on the sale of investment and prepare Debenture Redemption Fund Accounts for all the years.

Q.6) Ajanta Company Ltd. was incorporated on 1/6/2022 to take over the business of Dileep & Company from 1/4/2022. The summarized Profit and Loss account as given by Ashok Ltd. for the year ending 31/3/2023 is as under. (8)

Profit and Loss account for the year ending 31/3/2023

Particular	Amount	Particular	Amount
To Rent and Taxes	90,000	By Gross Profit b/d	10,66,000
To Salaries	3,31,000		
To Carriage Outward	14,0000		
To printing & stationery	18,000		
To Interest to Debenture	25,000		
To Sale Commission	30,800		
To Bad debts	91,000		
To Underwriting commission	26,000		
To Preliminary Expenses	28,000		
To Audit Fees	45,000		
To Net Profit	3,67,200		
	10,66,000		10,66,000

Prepare profit and loss account for the year ended 31/3/2023, showing allocation of expenses and calculation of pre-incorporation and post-incorporation profit after considering following information.

1. Sales for Oct 2022 to March 2023 were 2 times the average monthly sales.
2. The audit fees are paid for the audit under Company Act.