

B.Com. (Part-II) CBCS Pattern Semester-III
UCA3C06 - Paper-I - Corporate Accounting

P. Pages : 7

Time : Three Hours



GUG/S/24/10668

Max. Marks : 60

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- Notes : 1. All questions are compulsory.
2. All questions carry equal marks.

1. a) Ajanta Ltd. issued 3,000 equity shares of Rs. 100 each. On these shares payments are to be made as follows: **6**
On Application Rs. 20 per share
On Allotment Rs. 30 per share
On First & final call Rs. 50 per share

Mohan, who is a holder of 800 shares has not paid the first & Final call, hence his shares have been forfeited.

Pass Journal entries in the books of Ajanta Ltd.

- b) S. Chand Ltd. was formed for the purpose of purchasing a business and was registered with a nominal capital of Rs. 1,00,000 divided in to 1,000 equity shares of Rs. 100 each. 1,000 shares were offered to public for subscription at a premium of Rs. 5 per share where 0 as under: **6**

On Application Rs. 10 per share
On Allotment Rs. 25 per share (including premium)
On first call Rs. 40 per share
On final call Rs. 30 per share.

Application were received for 900 shares which were dully allotted & the allotment money was received in full. At the time of first call, a shareholder who held 100 shares failed to pay the first call money & final call money.

OR

- c) 'HIRA' Company Ltd. issued 10,000 equity shares of Rs. 10 each at a premium of Rs. 10 each payable as: **12**
On Application Rs. 10 per share
(Rs.5 on capital & Rs.5 on premium)
On Allotment Rs. 10 per share
(Rs.5 on capital & Rs.5 on premium)

The issue was closed on 31st December, 2008. It was found that the issue was over subscribed by ten times. The Board of directors finalized the basis of allotment in consultation with the Bombay stock Exchange. The application money on excess share was refunded to the application. The allotment money was received in full with the exception of a shareholder 200 shares. These shares were forfeited and latter on re- issued at Rs. 12 per share as fully paid up.

2. a) From the following balances of Bharat Trading Co. Ltd. Prepare Trading A/c, profit & loss A/c for the yr. ended 31.3.10

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Particulars	Rs.
Sales	4,50,000
Purchases	3,00,000
Opening Stock	70,000
Interest on Investment	15,000
Audit Fees	12,000
Manufacturing expenses	15,000
Wages	40,000
Sales Return	25,000
Purchase Return	12,000
Director fees	14,000
Bad Debts	40,000
Plant & Machinery	2,80,000
Stationary	10,000
Land & Building	1,00,000
Insurance	20,000
Freight	12,000
Debtors	70,000
Salaries	25,000

Additional information:-

- Closing stock Rs. 1,50,000.
- Charge depreciation 10% on Land & building.
- Provision for bad debts reserve 5% on Debtors.
- Outstanding salaries Rs. 10,000.

- b) From the following balances furnished by tharves Co. ltd. Prepare balance sheet as on 31st March, 2009.

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Particular	Rs.
Equity share capital (face value Rs. 100 each)	15,00,000
Land and building	8,25,000
Plant and Machinery	6,00,000
Goodwill	1,87,500
Furniture	75,000
Call in Arrears	1,500
General Reserve	3,15,000
Loan from State Finance Corporation	2,25,000
Stock	3,75,000
Provision for taxation	1,02,000
Sundry debtors	3,00,000
Advances (Dr.)	64,050
Proposed dividend	90,000
Profit & Loss A/c (Cr.)	1,50,000
Cash Balance	45,000
Cash at Bank	3,70,500
Preliminary Expenses	19,950
Loan (unsecured)	1,81,500
Sundry Creditors	3,00,000

OR

- c) Amrapali Co. Ltd. Had an authorized capital of Rs. 4,60,000 in shares of Rs. 50 each. The company issued 5,520 shares. 12

Trial Balances as on 31st March 2009.

Particulars	Debit Rs.	Credit Rs.
Share Capital		2,76,000
Land & Building	2,30,000	
Reserve fund		73,600
Bad debts	12,650	
Purchase and sales	4,41,600	8,18,800
Salaries	57,040	
Wages	42,320	
Preliminary expenses	36,800	
Interest		11,040
Profit & loss App. A/c		1,48,350
Carriages	19,320	
Stock (on 1 April 2008)	1,38,000	
Return	29,440	37,720
Audit fees	19,320	
Freight charges	18,860	
Interim dividend	16,560	
Bills Receivable & Bills payable	58,420	50,140
Call in Arrears	18,400	
Cash in hand	2,760	
Cash at bank	21,160	
Goodwill	57,040	
Debtors and Creditors	64,860	79,580
Investment	78,200	
Furniture	64,400	
6% Debentures		1,84,000
Bank Overdraft		23,920
Plant and Machinery	2,76,000	
	17,03,150	17,03,150

Adjustments:-

- i) Closing stock Rs. 99,360.
 - ii) Depreciate: Furniture by 5%, Plant & machinery by 10%
 - iii) Provide 5% reserve on Debtors.
 - iv) Write off 1/5 of preliminary expenses.
 - v) Transfer Rs. 55,200 for reserve fund.
 - vi) Provide Debenture interest for one year.
- Prepare trading & P/L A/c for the year ended 31st March 2009 and Balance sheet as on that date.

3. a) The following information is given to you:- 6
- i) Average capital employed Rs. 12,00,000.
 - ii) Company declares 15% dividend on the shares of Rs. 20 each fully paid.
 - iii) Net trading profit of the company (after tax) for the past 3 years: Rs. 1,81,400, Rs. 2,15,200. Rs. 2,25,000

You are required to compute the value of goodwill on the basis of 5 years purchase of super profit of the business.

- b) From the following information calculate the value of goodwill by the super profit method:
- The average capital employed in the business Rs. 60,00,000.
 - The Net trading profit of the firm for the past three years were:-

Year	Rs.
1 st	10,76,000
2 nd	9,07,000
3 rd	11,25,000

- The rate of interest expected form the capital having regard to the risk involved 12%.
- The fair remuneration to the partners for their services Rs. 1,20,000 not charged to the profit & loss account.
- Take 5 years purchase of super profit as a value of the goodwill.

OR

- c) The following is the balance sheet of Mr. Rahul as on 31st March 2008.

Liabilities	Rs.	Assets	Rs.
Capital	2,56,000	Land & Building	59,000
General Reserve	70,000	Plant	86,000
Creditors	67,090	Investments	50,000
		Stock	45,000
		Bank	33,800
		Debtors	1,19,290
	3,93,090		3,93,090

The following were the net profit for the year ended:

March 31, 2006	Rs. 68,840
March 31, 2007	Rs. 77,600
March 31, 2008	Rs. 81,050

The above amounts include income from investments Rs. 3,000 each year.

You are required to value the goodwill of the above business at 3 years taking into account the fact the standard rate of return on capital employed in such type of a business is 10% and assuming that each years profit is immediately withdrawn in full by Mr. Rahul.

4. a) The following is the Balance sheet of Nagpur Ltd. As at 31st March 2004.

Liabilities	Rs.	Assets	Rs.
Share capital:		Land & Building	55,000
5,000 6% Preference shares of Rs. 10 each	50,000	Plant & Machinery (less Depreciation)	65,000
10,000 equity shares of Rs. 10 each	1,00,000	Trademarks	10,000
General Reserve	10,000	Stock	24,000
Profit & Loss A/c	30,000	Debtors	44,000
Workmen's saving A/c	15,000	Cash at bank	76,000
Unsecured loan	30,000	Preliminary expenses	10,000
Sundry Creditors	38,000		
Proposed Dividend:			
Preference share 3,000			
Equity share 8,000			
-----	11,000		
	2,84,000		2,84,000

- i) It was found that the plant & machinery was under depreciated by Rs. 5,000.
 - ii) Land & building should have been valued at Rs. 1,20,000.
 - iii) Rs. 4,000 of the debts were bad.
 - iv) Preference shares having priority over equity shares of repayment of capital.
- Find out the intrinsic value of pref. & equity shares.

b) The following is the Balance sheet of Wardha Co. Ltd. As on 31st March, 2007.

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Liabilities	Rs.	Assets	Rs.
Share Capital 20,000 equity shares of Rs. 10 each	2,00,000	Land & Building	1,10,000
General reserve	40,000	Plant & Machinery	1,30,000
P & L A/c	32,000	Trademark	20,000
Unsecured Creditors	60,000	Stock	48,000
Sundry Creditors	98,000	Debtors	88,000
Workmen's saving A/c	30,000	Cash at bank	52,000
		Preliminary exp.	12,000
	4,60,000		4,60,000

The plant & machinery is worth Rs. 1,20,000 & Land & building have been valued at Rs. 2,40,000 by an independently valued Rs. 8000 of the debts are bad. Goodwill may be taken to be worth Rs. 1,60,000.

Find out the intrinsic value of shares.

OR

c) The following is the balance sheet of Rupa company Ltd. As on 31st Dec. 2007

12

Liabilities	Rs.	Assets	Rs.
Share Capital: 6000 equity shares of Rs. 100 each	6,00,000	Cash at Bank	50,000
5,000 5% Debentures	5,00,000	Stock	1,20,000
General Reserve	70,000	Sundry Debtors	80,000
Profit & loss A/c	20,000	Investment	1,00,000
Sundry Creditors	20,000	Land & Buildings	4,10,000
Liabilities to expenses	20,000	Furniture	60,000
		Plant & Machinery	3,40,000
		Goodwill	70,000
	12,30,000		12,30,000

All the assets are independently valued at Rs. 14,00,000. The company earned net profit for the last five years as follows:-

Rs. 80,000, Rs. 84,000, Rs. 92,000, Rs. 88,000 and Rs. 96,000. It is the practice of the company to transfer 15% profit to general reserve. The fair of Investment in the similar company may be considered at 10%. Find out fair value of shares.

5. Write short note.

- a) Need of D-mat account.
- b) Corporate Dividend Tax.
- c) Future maintainable profit.
- d) Need for the valuation of shares.

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- सुचना :- 1. सर्व प्रश्न सोडविणे आवश्यक आहे.
2. सर्व प्रश्नांना समान गुण आहे.

- | | | | |
|----|----|----------------------------------|----|
| 1. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 2. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 3. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 4. | अ) | इंग्रजी माध्यमानुसार. | 6 |
| | ब) | इंग्रजी माध्यमानुसार. | 6 |
| | | किंवा | |
| | क) | इंग्रजी माध्यमानुसार. | 12 |
| 5. | | टिपण लिहा. | |
| | अ) | डी-मॅट खात्याची आवश्यकता. | 3 |
| | ब) | कार्पोरेट लाभांश कर. | 3 |
| | क) | भविष्यातील अनुमानित नफा. | 3 |
| | ड) | भागांच्या मुल्यांकनाची आवश्यकता. | 3 |

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- सुचनाएँ :- 1. सभी प्रश्न अनिवार्य हैं।
2. सभी प्रश्नों के अंक समान हैं।

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|----|----|----------------------------|----|
| 1. | अ) | अंग्रेजी माध्यम के नुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के नुसार। | 6 |
| | | अथवा | |
| | क) | अंग्रेजी माध्यम के नुसार। | 12 |
| 2. | अ) | अंग्रेजी माध्यम के नुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के नुसार। | 6 |
| | | अथवा | |
| | क) | अंग्रेजी माध्यम के नुसार। | 12 |
| 3. | अ) | अंग्रेजी माध्यम के नुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के नुसार। | 6 |
| | | अथवा | |
| | क) | अंग्रेजी माध्यम के नुसार। | 12 |
| 4. | अ) | अंग्रेजी माध्यम के नुसार। | 6 |
| | ब) | अंग्रेजी माध्यम के नुसार। | 6 |
| | | अथवा | |
| | क) | अंग्रेजी माध्यम के नुसार। | 12 |
| 5. | | टिपण लिखिए। | |
| | अ) | डी-मॅट खाते की आवश्यकता। | 3 |
| | ब) | कार्पोरेट लाभांश कर। | 3 |
| | क) | भविष्य का अनुमानित लाभ। | 3 |
| | ड) | भाग मुल्यांकन की आवश्यकता। | 3 |
