

B.Com.- II (CBCS Pattern) Sem-III  
**UCA3C06 - Corporate Accounting**

P. Pages : 8

Time : Three Hours



**GUG/S/24/10668S**

Max. Marks : 60

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

1. a) On 1<sup>st</sup> April 2022 Yognya Co. Ltd. Issued 10,000, 14% debentures of Rs. 100 each at a discount of 5%. The debentures were to be redeemed after 7 years at a premium of 10%. All the money was to be paid along with application. Applications were received for 12,000 debentures. Applications for 2,000 debentures were rejected and application money thereon returned. Allotment was duly made. The company decided to write off the loss on the issue of debentures in 5 years in equal instalments. The company closes its books on 31<sup>st</sup> March, every year. Interest on debentures is paid every year on 31<sup>st</sup> March. Give journal entries in the books of the company upto 31<sup>st</sup> March, 2023. **6**
- b) On 1<sup>st</sup> January 2018 the Myra Co. Ltd. Issued debentures for Rs. 20,00,000 redeemable at par on 1<sup>st</sup> January 2023. It was decided to establish a sinking fund for purpose of redemption. Sinking fund table shows that 0.1809748 amounts to one at 5% in five years. Annually invested amount earns 5% interest. Pass the journal entries in the books of Myra Co. Ltd. **6**

**OR**

- c) Skyworth Ltd. Has issued 10,000 shares of Rs. 100 each on which the amount is payable as follows: **12**
- |                |        |
|----------------|--------|
| On Application | Rs. 25 |
| On Allotment   | Rs. 25 |
| On First Call  | Rs. 15 |
| On Second Call | Rs. 25 |
| On Third Call  | Rs. 15 |

From the following particulars give journal entries.

Name of shareholder	Shares held	Amount paid on
Mr. Aman	200	Application and Allotment.
Mr. Baban	400	Application, Allotment and First Call.
Mr. Chandan	600	Application, Allotment and First Call and Second Call.

Company made all the calls, the call money was received in full except from the above persons. The directors forfeited the shares of the above shareholders on their failure of final call. These shares were re-issued to Mr. Gagan as fully paid up for Rs. 110 per share. Mr. Gagan has paid the amount in full.

2. a) From the following figures prepare Trading Account and Profit & Loss Account of RUNI Co. Ltd. For the year ended 31<sup>st</sup> March, 2023.

6

Particulars	Rs.
Stock on 1 <sup>st</sup> April, 2022	1,50,000
Sales	9,00,000
Wages (Unproductive)	5,000
Wages	1,00,000
Purchases	4,90,000
Discount Allowed	14,000
Discount Received	10,000
Returns Inwards	2,000
Returns Outwards	1,000
Motive Power	20,000
Ocrai	5,000
Carriage Inwards	5,000
Salaries	20,000
Trade Expenses	15,000
Contribution to P.F.	30,000
Employees P.F.	4,00,000
Transfer Fees	2,000
Directors Fees	12,000
Fixed Assets	4,00,000
Bad Debts	10,000
Debtors	5,00,000
Reserve for Doubtful Debts	27,000
General Expenses	10,000

Adjustments:

- 1) The closing stock on 31<sup>st</sup> March, 2005 of Rs. 1,64,000 (Market Price of Rs. 1,70,000)
- 2) Outstanding unproductive wages were Rs. 3,000 and outstanding salaries were Rs. 1,000.
- 3) Provide RDD @ 5%
- 4) Charges depreciation 10% on fixed assets.
- 5) Manager's commission outstanding Rs. 60,000.

- b) From the following information, prepare the Balance Sheet of AMV traders Ltd. As on 31<sup>st</sup> March, 2023.

6

Particulars	Rs.
Share Capital (8,000 shares of Rs. 100 each fully called up)	8,00,000
General Reserve	3,80,000
Share Premium	80,000
6% Debentures	8,00,000
Profit & Loss App. A/c.	59,400
Sinking Fund	1,63,200
Sundry Creditors	92,000
Outstanding Expenses	16,000
Land	3,49,000
Building	6,00,000
Plant	3,20,000
Furniture	60,000

Sinking Fund Investment	1,63,200
Call in Arrears	12,000
Sundry Debtors	5,80,000
Closing Stock	2,60,000
Cash in hand	22,400
Cash at Bank	2,52,000
Preliminary Expenses	20,000
Advance Income Tax Paid	32,000

Additional Information:

- 1) Depreciation written off at the rate mentioned below:  
Building 5%, Plant 20%, Furniture 10%
- 2) A final dividend of Rs. 20 per share has been proposed by the board of directors.
- 3) Preliminary expenses are to be written off completely.

**OR**

- c) Following are the balance as on 31<sup>st</sup> March, 2023 in the books of Rupnil trading Company Limited: **12**

Particulars	Debit Rs.	Credit Rs.
Opening Stock	95,200	
Purchases	4,70,000	
Land and Building	1,86,000	
Machinery	3,31,200	
Loose Tools	18,800	
Furnitures	7,200	
Preliminary Expenses	9,800	
Sales		6,01,600
Share Capital		4,00,000
6% Debentures		2,00,000
Cash	1,000	
5% Government Bonds	19,760	
Bills Receivable	7,200	
Motor	26,000	
Goodwill	32,000	
Debtors	41,600	
Advertisement	5,080	
Audit Fees	2,000	
Creditors		61,200
Reserve Fund		30,000
Profit and Loss A/c.		17,600
Bank Overdraft (borrowed on 1-1-2023)		14,000
RDD		2,360
Wages and Salaries	53,800	
Insurance	9,800	
General Expenses	8,600	
Repair	1,720	
Interim Dividend (30 <sup>th</sup> Sept.)	6,000	
Sundry Receipts		6,000
	13,32,760	13,32,760

Adjustments:

- 1) Closing stock was of Rs. 1,08,400.

- 2) RDD shall be 5% on debtors.
  - 3) Depreciate Machinery 5%, Furniture 7.5%, Loose Tools 10%, Motor 20%.
  - 4) Debenture interest is to be provided for.
  - 5) Interest @ 9% p.a. is payable on bank overdraft.
  - 6) Write off preliminary expenses in full.
  - 7) General expenses outstanding are Rs. 2,400.
  - 8) Directors proposed final dividend @ 6%.
- Prepare annual accounts of the company and balance sheets as on 31<sup>st</sup> March, 2023.

3. a) The following information relates to the business of a partnership firm: 6
- a) Average capital employed in the business Rs. 8,50,000.
  - b) Trading profit of the firm for the past tree years, prior to taxation were Rs. 1,57,000, Rs. 1,90,000 and Rs. 2,00,420.
  - c) The unchanged tax rate is 35%.
  - d) 10% may be taken as reasonable return rate in that type of business.
  - e) Partners get Rs. 18,000 per annum for their services.
- You are required to compute the value of goodwill of the firm on the following basis:
- i) Five year's purchase of the annual average super profit.
  - ii) Capitalization of annual average super profit at reasonable return of 10%.

- b) The following information is given to you: 6
- 1) Average capital employed Rs. 12,00,000.
  - 2) Company declares 15% dividend on the shares of Rs. 20 each fully paid.
  - 3) 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 profits of the business.

**OR**

- c) The assets and liabilities of NILRUP Co. Ltd as on 31<sup>st</sup> December, 2022 were as follows. 12

Liabilities	Rs.	Assets	Rs.
36,000 Equity Share of Rs. 10 each	3,60,000	Building	3,02,400
6% Debentures	54,000	Machinery	2,16,000
Creditors	72,000	5% Tax Free Govt. Bonds	72,000
Provision for Tax	32,400	Stock-in-Trade	17,200
Dividend declared	54,000	Furniture	18,000
P & L A/c.	72,000	Cash	15,000
		Book debts	59,400
	7,00,000		7,00,000

The Net profit of the company after charging depreciation and taxes were as follows:

2017	Rs. 61,200	2020	Rs. 72,000
2018	Rs. 68,400	2021	Rs. 68,400
2019	Rs. 64,800	2022	Rs. 67,200

Interest on Investment is included in the above profits.

On 31<sup>st</sup> December, 2022 building were revalued at Rs. 3,42,000, Machinery at Rs. 2,55,600 and Furniture at Rs. 14,400. 10% represents a fair commercial rate of return on investment in the company.

Find out the value of goodwill basing in at 6 years purchase of the average super profit for the last six years.

4. a) The following is the Balance Sheet of Wadsa Ltd. As at 31<sup>st</sup> March, 2023.

6

Liabilities	Rs.	Assets	Rs.
Share Capital:		Land & Building	55,000
5,000, 6% Pref. Shares of		Plant & Machinery	
Rs. 10 each	50,000	(less depreciation)	65,000
10,000 Equity Shares of		Trade Marks	10,000
Rs. 10 each	1,00,000	Stock	24,000
General Reserve	10,000	Debtors	44,000
Profit & Loss A/c.	30,000	Cash at Bank	76,000
Workmen's Saving A/c.	15,000	Preliminary Expenses	10,000
Unsecured Loan	30,000		
Sundry Creditors	30,000		
Proposed Dividend:			
Pref. Shares – 3,000			
Equity Shares 8,000	11,000		
	2,84,000		2,84,000

- 1) It was found that the Plant & Machinery was under depreciated by Rs. 5,000.
  - 2) Land & Building should have been valued at Rs. 1,20,000.
  - 3) Rs. 4,000 of the debts were bad.
  - 4) Pref. Shares having priority over equity shares of repayment of capital.
- Find out the Intrinsic value of Equity Shares and Preference Shares.

- b) The following information are available from the books of a limited company:

6

30,000, 6% Preference Shares of Rs. 10 each fully paid up	Rs. 3,00,000
18,000 Equity Shares of Rs. 10 each fully paid up	Rs. 1,80,000
15,000 Equity Shares of Rs. 10 each, Rs. 8 per share paid up	Rs. 1,20,000
12,000 Equity Shares of Rs. 10 each, Rs. 6 per share paid up	Rs. 72,000
Fixed Assets Less Depreciation	Rs. 7,00,000
Expenses on Issue of Shares	Rs. 15,000
Floating Assets	Rs. 1,20,000
Liabilities on Sundry Parties	Rs. 75,000
Reserve & Surplus	Rs. 88,000

Calculate the value of each type of Equity Shares by Net Assets Method (Excluding Goodwill)

**OR**

- c) On 31<sup>st</sup> March, 2023 the Balance Sheet of RUNI Ltd. Disclosed the following position:

12

Liabilities	Rs.	Assets	Rs.
Share Capital:		Goodwill	20,00,000
80,000 Equity Shares		Current Assets	8,00,000
of Rs. 20 each	16,00,000	Fixed Assets	1,60,000
General Reserve	3,60,000		
Profit & Loss A/c.	80,000		
Unsecured Loan:			
5% Debentures	8,00,000		
Current Liabilities:			
Sundry Creditors	1,20,000		
	29,60,000		29,60,000

On 31<sup>st</sup> March, 2023 the Fixed Assets were valued at Rs. 13,60,000 and Goodwill Rs. 2,40,000. The Net Profits for the last three years were as follows:

2021 Rs. 2,30,000 2022 Rs. 2,32,000 2023 Rs. 2,30,600

Out of these profits 25% was placed to reserve. After the provision of this reserve the fair investment return expected in similar companies stand at 10%.

Compute the fair value of Equity Share of the company.

**5.** Write short notes on.

- |  |          |
|--|----------|
| a) Types of Debentures.                      | <b>3</b> |
| b) Reserve Funds.                            | <b>3</b> |
| c) Factor influencing valuation of Goodwill. | <b>3</b> |
| d) Need for the valuation of Shares.         |          |

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- सुचना :- 1. सर्व प्रश्न अनिवार्य आहेत.  
2. सर्व प्रश्नांना समान गुण आहेत.

- |    |    |  |    |
|----|----|--|----|
| 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. |    | टिपा लिहा.                                 |    |
|    | अ) | कर्जरोख्यांचे प्रकार                       | 3  |
|    | ब) | राखीव निधी                                 | 3  |
|    | क) | ख्यातीच्या मुल्यांकनावर प्रभाव टाकणारे घटक | 3  |
|    | ड) | भाग मुल्यांकनाची आवश्यकता                  | 3  |

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- सूचनाएँ :- 1. सभी प्रश्न अनिवार्य हैं।  
2. सभी प्रश्नों को समान अंक हैं।

- |    |    |   |    |
|----|----|---|----|
| 1. | अ) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    | ब) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    |    | <b>अथवा</b>                               |    |
|    | क) | अंग्रेजी माध्यम के अनुसार।                | 12 |
| 2. | अ) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    | ब) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    |    | <b>अथवा</b>                               |    |
|    | क) | अंग्रेजी माध्यम के अनुसार।                | 12 |
| 3. | अ) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    | ब) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    |    | <b>अथवा</b>                               |    |
|    | क) | अंग्रेजी माध्यम के अनुसार।                | 12 |
| 4. | अ) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    | ब) | अंग्रेजी माध्यम के अनुसार।                | 6  |
|    |    | <b>अथवा</b>                               |    |
|    | क) | अंग्रेजी माध्यम के अनुसार।                | 12 |
| 5. |    | संक्षेप में लिखिए।                        |    |
|    | अ) | ऋणपत्र के प्रकार।                         | 3  |
|    | ब) | संचीय निधी।                               | 3  |
|    | क) | साख मूल्यनिर्धारणपर प्रभाव डालनेवाले घटक। | 3  |
|    | ड) | अंश विभाजन की आवश्यकता।                   | 3  |

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