

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   |
| Octrai                               | 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<br>(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 three 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:<br>5,000, 6% Pref. Shares of<br>Rs. 10 each        | 50,000   | Land & Building<br>Plant & Machinery<br>(less depreciation) | 55,000<br>65,000 |
| 10,000 Equity Shares of<br>Rs. 10 each                            | 1,00,000 | Trade Marks                                                 | 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                                                  | 30,000   |                                                             |                  |
| Proposed Dividend:<br>Pref. Shares – 3,000<br>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:<br>80,000 Equity Shares<br>of Rs. 20 each | 16,00,000 | Goodwill       | 20,00,000 |
| General Reserve                                          | 3,60,000  | Current Assets | 8,00,000  |
| Profit & Loss A/c.                                       | 80,000    | Fixed Assets   | 1,60,000  |
| Unsecured Loan:<br>5% Debentures                         | 8,00,000  |                |           |
| Current Liabilities:<br>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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UCA3C06 - Corporate Accounting

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Max. Marks : 60

- 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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- सुचनाएँ :- 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 मुल्यनिर्धारणपर प्रभाव डालनेवाले घटक। | 3  |
|    | ड) | अंश विभाजन की आवश्यकता।                   | 3  |

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