647510 **BBA3CaEC308x** **Seat No :________**

B.B.A. Semester - 3 (*CBCS*) Examination
Oct/Nov. -2019 [NEW COURSE]
Corporate Accounting (Elective)

Time: 2:30 Hours **Marks: 70**

Instructions:

1. All questions are compulsory.
2. Figures to the right indicate marks.

Que-1 The Mayur company ltd. issued 4,000 equity shares of Rs.10 each at a premium of Rs.2 per share. Payable as Follow. (14)

On Application Rs.2
One allotment Rs.6 (including premium)
On First call Rs.2
On Final call Balance Amount

6,000 shareholders were applied for and allotment was made prorate Excess applications money was utilized towards sums due on allotment. Mr. Piyush who held 120 shares failed to pay first call and second call and these shares were forfeited. Out of these forfeited shares, 100 forfeited share were reissued to Vinay Ltd's. Director as fully paid up for Rs.9 per share.

Pass necessary journal entries and prepare cash book.

OR

Que-1 Tanvi Ltd. issued 50,000 shares of Rs.10 each payable as under: Rs.2 on applications; Rs.2.50 on allotment; Rs.3 on first call and Rs.2.50 on final call. The subscriptions were received from public for 90,000 shares. The allotment was made as follows on 1st August, 2018:

The Applicants of 45,000 shares in Full.
To the Applicants of 20,000 shares-25%
To the Applicants of remaining shares=NIL

The first call was made on 1st November, 2018 and the second call on 1st February, 2019. According to the term of issue the surplus applications money could be kept by the company against money due on allotment and against subsequent calls. One share holder to whom 5,000 shares were allotted paid on allotment the full amount on shares.

Pass necessary journal entries assuming that all money was duly received by the company.

Que-2 Dhiru Ltd. Incorporated with a nominal capital of Rs.50,00,000 divided into equity shares of Rs.10 each issued 2,00,000 shares at a discount of Rs.1 per share payable Rs.4 per share on applications Rs.3 per share on allotment and the balance on final call. (14)

Applications were received for 2,25000 shares. The Board of Director made full allotment and refunded excess applications. All shareholders have paid allotment and call money except Shital who was allotted 1,000 shares has not paid final call. The company forfeited these shares and reissued to Palak for Rs.6 per share as fully paid.

Give necessary Journal entries for issue, forfeiture and reissue of shares.

OR

Que-2 (A) Advantages and limitations of Buy-back of Shares. (07)

(B) Write Note on General Reserve and capital Reserve (07)

Que-3 Following is the Balance Sheet of Yuvraj Ltd. as on 31-03-2019 (14)

Liabilities	Rs.	Assets	Rs.
75,000 Equity share of Rs.10 each Fully paid-up	7,50,000	Fixed assets	13,35,000
12% 3750 Red. Pref. Shares of Rs.100 each Rs.80 paid up	3,00,000	Investment	1,12,500
Security Premium	12,500	Stock	1,24,000
General Reserve	5,70,000	Debtors	2,16,000
Profit and Loss Account	30,000	Cash/Bank	62,500
Creditods	1,87,500		
	18,50,000		**18,50,000**

The company decided to redeem preference shares at 5% premium after complying with the provisions of companies Act and for that purpose the company issued equity shares each of Rs.10 at a 10% discount. Cash Balance of Rs.75,000 is to be maintained in the business. All the investment is sold for Rs.1,06,250

You are required to journalize the above transactions with working notes.

OR

Que-3 The Balance sheet of Krupa Ltd. as at 31-3-2018 is as under (14)

Liabilities	**Rs.**	**Assets**	**Rs.**
1,00,000 Equity share of Rs.10 each Fully paid-up	10,00,000	Land Building	5,00,000
12% 4500 Red. Pref. shares of Rs.100 each Fully paid up	4,50,000	Plant & Machines	10,00,000
General Reserve	8,30,500	Furniture	3,90,000
Profit and Loss Account	3,87,000	Units of unit Trust of India	1,45,000
Capital Reserve	12,500	Cash at Bank	1,02,500
Security Premium	20,000	Cash in Hand	8,500
Creditors	1,50,000	Inventory	9,11,200
Bills Payable	1,00,000	Debtors	1,42,800
Provision for Taxation	2,50,000		
	32,00,000		**32,00,000**

One 1st May, 2018 in order to redeem its all preference shares at a premium of 5% the company issued 20,000 equity shares of Rs.10 each at a premium of 10% and sold all of its investments in the unit's for Rs.1,58,000. After the redemption of the preference shares the company issued one fully paid equity shares of Rs.10 as bonus for every four shares held by its members.

Show the journal entries for all the transactions.

Que-4 The following trial balance is of Payal Ltd. as at 31st March, 2018. You are required to prepare final accounts of the company. (14)

Debit Balances	Amount	Credit Balances	Amount
Stock	50,000	Equity share capital: 25000 each of Rs.10	2,50,000
Purchases	3,00,000	Sales	4,25,000
Wages	70,000	Creditors	35,200
Printing and stationary	2,400	Discount	3,150
Advertising	14,300	Profit & loss A/c	16,220
Debtors	48,700	General Reserve	25,000
Discount	4,200	Loan from MD	15,700
Insurances premium	6,720		
Salaries	18,500		
Rent	6,000		
General Expenses	8,950		
Plant and Machinery	80,600		
Cash at Bank	1,34,700		
Furniture	17,000		
Bad-debt	3,200		
Call-in arrears	5,000		
	7,70,270		**7,70,270**

(1) Closing stock is Rs.1,11,500.
(2) Provide depreciation on plant@10% and on furniture@20% p.a.
(3) Outstanding Liabilities: wages Rs.5,200, Salaries Rs.1,200 and Rent Rs.600
(4) Prepaid insurance Rs.800
(5) Provide for General Reserve Rs.10,000 and proposed dividend@10%

OR

Que-4 The following trial balance is of Pooja Ltd. as at 31st March, 2018. You are required to prepare Final accounts of the company. (14)

Debit Balances	Amount	Credit Balances	Amount
Opening stock	1,50,000	Sales	6,80,000
Purchases	4,70,000	Discount	6,000
Wages	60,000	Equity Share Capital	2,00,000
Carriage Inward	1,900	Creditors	35,000
Furniture	34,000	General Reserve	31,000
Salaries	15,000	15% Debenture	50,000
Rent	8,000		
Sundry Expenses	14,100		
Debtors	55,000		
Plant & Machinery	82,000		
Cash at bank	92,400		
Goodwill	9,600		
Bills receivable	10,000		
	10,02,000		**10,02,000**

Additional Information.

(1) Closing stock is Rs.1,50,000
(2) Provide depreciation on plant@15% and on furniture@10% p.a.
(3) Outstanding Liabilities: Rent Rs.2,000, Salaries Rs.3,000, Interest On Debenture for six months.
(4) Make a provision for doubtful debt Rs.2,000
(5) Provide for General Reserve Rs.20,000
(6) Directors propose dividend@25%

Que-5 Write Short Notes. (Any two) (14)

(1) Right share and bonus share.
(2) Methods of issue of bonus share
(3) SEBI Guidelines for Issue of bonus share.

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