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

B.B.A. Semester - 3 (*CBCS*) Examination
Nov/Dec. -2021 [NEW COURSE]
Corporate Accounting (Elective)

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

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

Q-1 The Bhavin company ltd. issued 3, 00,000 equity shares of Rs. 10 each at a premium of Rs. 1 per share. Payable as Follow: (14)

On Application - Rs. 2
On allotment Rs. 4(including premium)
On call Rs. 5

Application were received for 4, 50,000 shares.
Applicants of 4,00,000 shares were allotted shares on prorata basis. remaining applications were refused. The excess money received on application was adjusted to sum due on allotment.
Prity, who was allotted 450 shares failed to pay allotment money and her shares were forfeited immediately after allotment.
Surekha who applied for 400 shares failed to pay call money and her shares were forfeited.
Of the above forfeited shares, 80% were reissued as fully paid RS. 8 the whole of prity's shares being included.
Pass necessary journal entries to record the above transactions in the books of company.

OR

Q-1 X Ltd. Purchased assets of 3, 80,000 from Ram traders. It issued equity shares of Rs. 10 each fully paid in satisfaction of their claim. What entries will be made in case such issue is
(1) At par (2) at discount of 5 % (3) at premium of 25 %

Q-2 A limited makes a public issue of 1, 00,000 equity shares of =Rs.10 each a discount of Rs. 1 per share, payable as follows: (14)

On application & allotment Rs. 3
On first call Rs. 4
On second call Rs. 2

Sunil holding 1,000 shares does not pay second call. His shares are forfeited .out of forfeited shares, 500 shares are reissued as fully paid up @ Rs. 5 per share.
Give necessary Journal entries for issue, forfeiture and reissue of shares

OR

Q-2 ABC Ltd. Incorporated with a nominal capital of Rs. 25, 00,000 divided into equity Shares of Rs, 10 each issued 1, 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.
Applications was received for 1, 12,500 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 500 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 reissued of shares

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

Liabilities	Rs.	Assets	Rs.
5,000 Equity share of Rs. 100 each Fully paid-up	5,00,000	Fixed assets	4,00,000
10%1500 Red. Pref,. Shares of Rs,100 each Rs, 80 paid up	1,20,000	Stock	1,00,000
Profit and Loss Account	1,00,000	Debtors	1,00,000
creditors	30,000	Cash /bank	1,50,000
	7,50,000		7,50,000

The company issued 800 equity shares of Rs. 100 each at a premium of Rs. 25 per share. To redeem preference shares at a premium of 10%. All payment were made except to shareholders of 100 preference shares. Pass necessary journal entries and prepare new balance sheet in the books of company. .

OR

Q-3 Following is the Balance Sheet of Yuvraj Ltd as on 31-03-2021 (14)

Liabilities	Rs.	Assets	Rs.
1,50,000Equity share of Rs, 10 each Fully paid-up	15,00,000	Fixed assets	26,70,000
12% 7500 Red. Pref,. Shares of Rs,100 each Rs, 80 paid up	6,00,000	Investment	2,25,000
Security Premium	25000	Stock	2,48,000
General Reserve	11,40,000	Debtors	4,32,000
Profit and Loss Account	60,000	Cash /bank	1,25,000
Creditors	3,75,000		
	37,00,000		37,00,000

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,.1,50,000 is to be maintained in the business. All the investment is sold for Rs 2, 12,500 You are required to journalise the above transactions with working notes.

Q-4 The trial balance sheet of "Satyam Ltd " on 31-03-21 is as under (14)

Debit balance	Amt	Credit balance	Amt
Opening stock	40,000	Equity share capital (50,000 shares of RS 10 each, fully paid -up)	5,00,000
Purchase	2,00,000	12% preference share capital	3,00,000
Octroi	10,000	10% debenture	2,00,000
Direct wages	10,000	Sales (including 2% sales tax)	5,20,000
Salary	50,000	Provision for income tax (Dt 1-4-2020)	80,000
Sales & distribution exp.	30,000	Debenture redemption fund	50,000
Furniture	1,00,000	Proposed dividend (Dt 1-4-2020)	30,000
Building	5,00,000	Bad debt reserve	10,000
Machinery	2,00,000	General reserve	10,000
Motor car (Dt 1-9-2020)	1,00,000	Profit &loss appropriation A/c (Dt 1-4-2020)	80,000
Paid previous year's income tax	70,000		
Paid last year dividend	20,000		
Sales tax paid	10,000		
Debenture redemption fund Investment	50,000		
Debenture discount	5000		
Investment in equity shares of "mihika Ltd "(5000 equity shares of RS 10 each RS 9 paid -up)	45,000		
Debtors	2,00,000		
Bills receivable	60,000		
Goodwill	80,000		
	17,80,000		17,80,000

After considering the following additional information, prepare the final accounts of "The Satyam Ltd" as per Horizontal format:

1. The cost price of closing stock is RS 50,000 .out of this stock of Rs 10,000 the market price is Rs 5000.
2. The income tax liability for the accounting year ending 31-3-2020 is RS 75,000 .provide income tax of Rs 25,000 for the current year.

3. The sales figure included goods worth Rs. 10,000 sent on sale or return. The cost pries of these goods is Rs 8,000 .customers have not informed their decision up to 31-3-2021.
4. Provide depreciation at 4% on building, at 10% on machinery and at 12% on motarcar
5. Interest receivable on debenture redemption fund investments is Rs 5000.
6. Write off debenture discount by 20%.
7. The management has recommended a dividend of 10% on equity share capital after transferring RS 50,000 to general reserve out of the current year profit.

OR

Q-4 The following is the trial balance of "Raj Lakshmi co. Ltd" as on 31st march, 2021 (14)

Balances	Debit	Credit
Stock (1st april,2020)	75,000	-
Purchase return	-	10,000
Purchase & sales	2,45,000	3,40,000
Wages	30,000	-
Discounts	-	3000
Carriage inward	950	-
Furniture & fittings	17,000	-
Salaries	7,500	-
Rent	4,000	-
Sundry exp	7,050	-
Profit&loss a/c (2019-20)	-	15,000
Dividends paid for (2019-20)	9,000	-
Share capital	-	1,00,000
Debtors & creditors	27,500	17,500
plant & machinery	29,000	-
Cash at bank	46,200	-
General reserve	-	15,500
Patent & trade mark	4,800	-
Bills receivables & bills payables	5000	7000
	5,08,000	5,08,000

Prepare trading account, profit & loss account and profit & loss appropriation account for the year ended 31st march, 2021 and balance sheet at that date. Take into consideration the following adjustment:

1. Stock on 31st march, 2021 was valued at Rs 88,000.
2. Make a provision for income tax @ 50%.
3. Make a provision for doubtful debt amounting to Rs 510.
4. Depreciate plant & machinery at 15% furniture and fittings at 10% and patents and trademark at 5%.
5. On 31st march, 2021 outstanding rent amounted to Rs 800 while outstanding salaries totaled Rs 900.
6. The board of directors proposes a dividend at 15% per annum for the year ended 31st march, 2021.
7. Make provision for general reserve Rs 1418.
8. Provide for managerial remuneration at 10% of the net profits before tax.

Q-5 Write Short Notes (Any Two) (14)

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

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